(Translation from the Italian original which remains the definitive version)

Interim financial report

30 June 2023

This document is available at:

www.webuildgroup.com

Webuild S.p.A.
Webuild S.p.A. Company managed and coordinated by Salini Costruttori S.p.A.
Fully paid-up share capital €600,000,000
Head office in Rozzano (Milan), Milanofiori Strada 6 – Palazzo L
Tax code and Milan Monza Brianza Lodi Company Registration no.: 00830660155
R.E.A. no. 525502- VAT no. 02895590962

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Company officers

Board of directors (i)	
Chairperson	Donato Iacovone
Deputy chairperson	Nicola Greco
Chief executive officer	Pietro Salini
Directors	Andrea Alghisi (ii)
	Davide Croff
	Barbara Marinali
	Flavia Mazzarella
	Francesco Renato Mele (ii)
	Teresa Naddeo
	Marina Natale
	Ferdinando Parente
	Alessandro Salini
	Serena Maria Torielli
	Michele Valensise
	Laura Zanetti
Control, risk and sustainability committee	
Chairperson	Teresa Naddeo
	Donato Iacovone
	Flavia Mazzarella
	Marina Natale
	Ferdinando Parente
	Serena Maria Torielli
Compensation and nominating committee	
Chairperson	Ferdinando Parente
	Barbara Marinali
	Laura Zanetti
Committee for related-party transactions	
Chairperson	Barbara Marinali
	Davide Croff
	Ferdinando Parente
Board of statutory auditors (iii)	
Chairperson	Giovanni Maria Alessandro Angelo Garegnani
Standing statutory auditors	Antonio Santi
	Lucrezia Iuliano
Substitute statutory auditors	Pierumberto Spanò
	Marco Seracini
Independent auditors (iv)	KPMG S.p.A.

(i) Appointed by the shareholders on 30 April 2021 (see note (ii) for the subsequent resolutions taken by the shareholders in their ordinary meeting of 27 April 2023 for the appointment of two directors); in office until approval of the financial statements as at and for the year ending 31 December 2023.

(ii) Appointed by the shareholders on 27 April 2023; in office until approval of the financial statements as at and for the year ending 31 December 2023.

(iii) Appointed by the shareholders on 27 April 2023; in office until approval of the financial statements as at and for the year ending 31 December 2025.

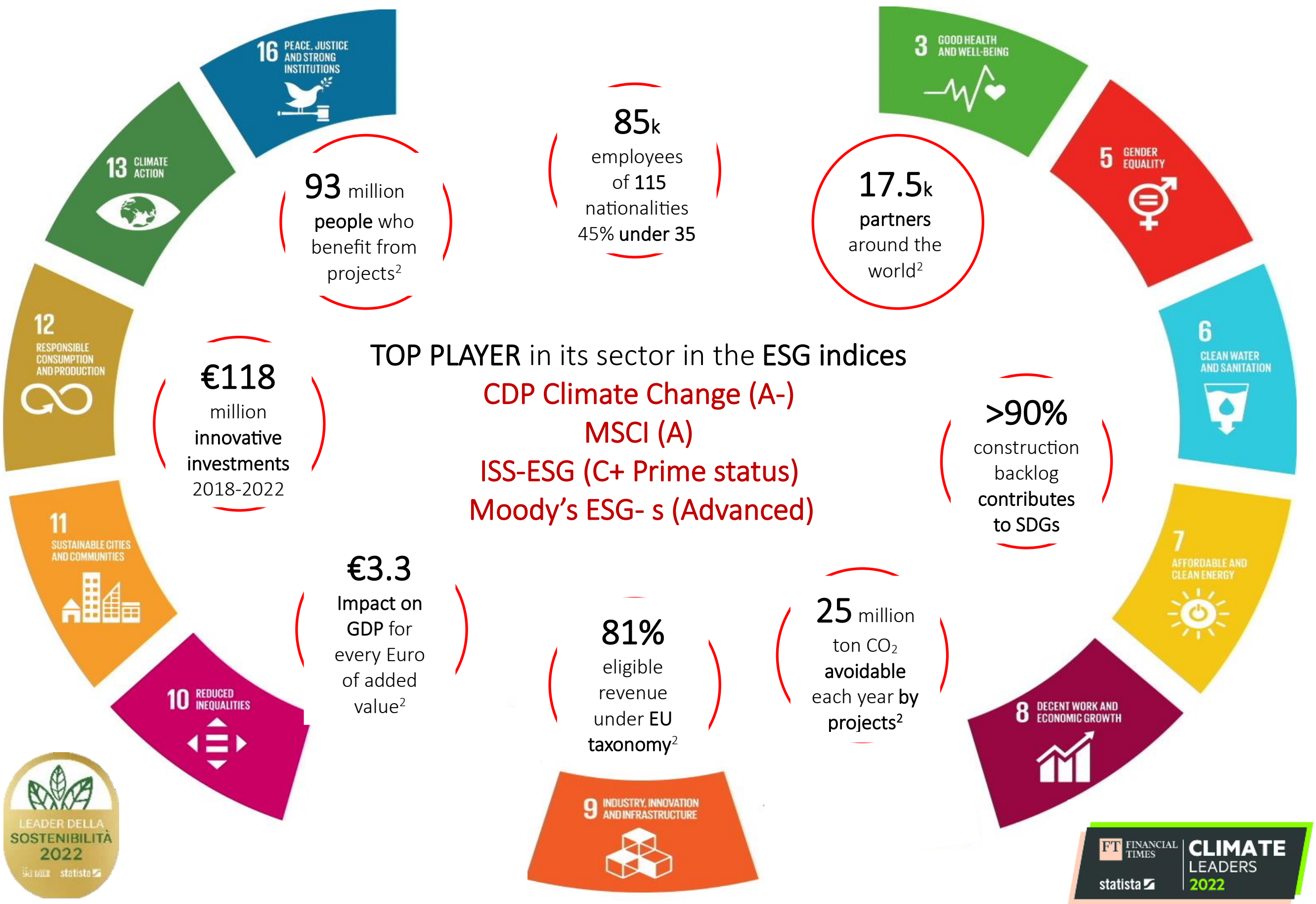
(iv) Engaged by the shareholders on 30 April 2015; term of engagement from 2015 to 2023.

Highlights

Our results

€ 60.7 billion	Total order backlog
€ 4.6 billion	Revenue [1]
€ 288.6 million	EBITDA[1]
€ 1.7 million	Equity

Our commitment



[1] Adjusted figure. More information is available in the "Alternative performance indicators" section.
[2] At 31 December 2022

Webuild Group

Global Leader

Webuild is a **major global operator** specialised in building large complex infrastructure for the **sustainable mobility, hydropower, water and green buildings** sectors.

With **117 years of engineering experience** deployed on five continents, drawing on the skills of **85,000 people** of more than **115 nationalities**, Webuild builds complex, long-lasting infrastructure, assisting its customers to **work towards the Sustainable Development Goals (SGDs)**, **combat climate change** and **engage in the energy transition**. Infrastructure provides a concrete response to the main global megatrends, such as population growth, urbanisation, resource scarcity and climate change, improving people's quality of life.

The principles of sustainable development are embraced through the Group, both at core business and internal process level, as shown by Webuild's sustainability strategy, which identifies the sustainability of infrastructure and its work sites as the two cornerstones underpinning the Group's dedication and reputation.

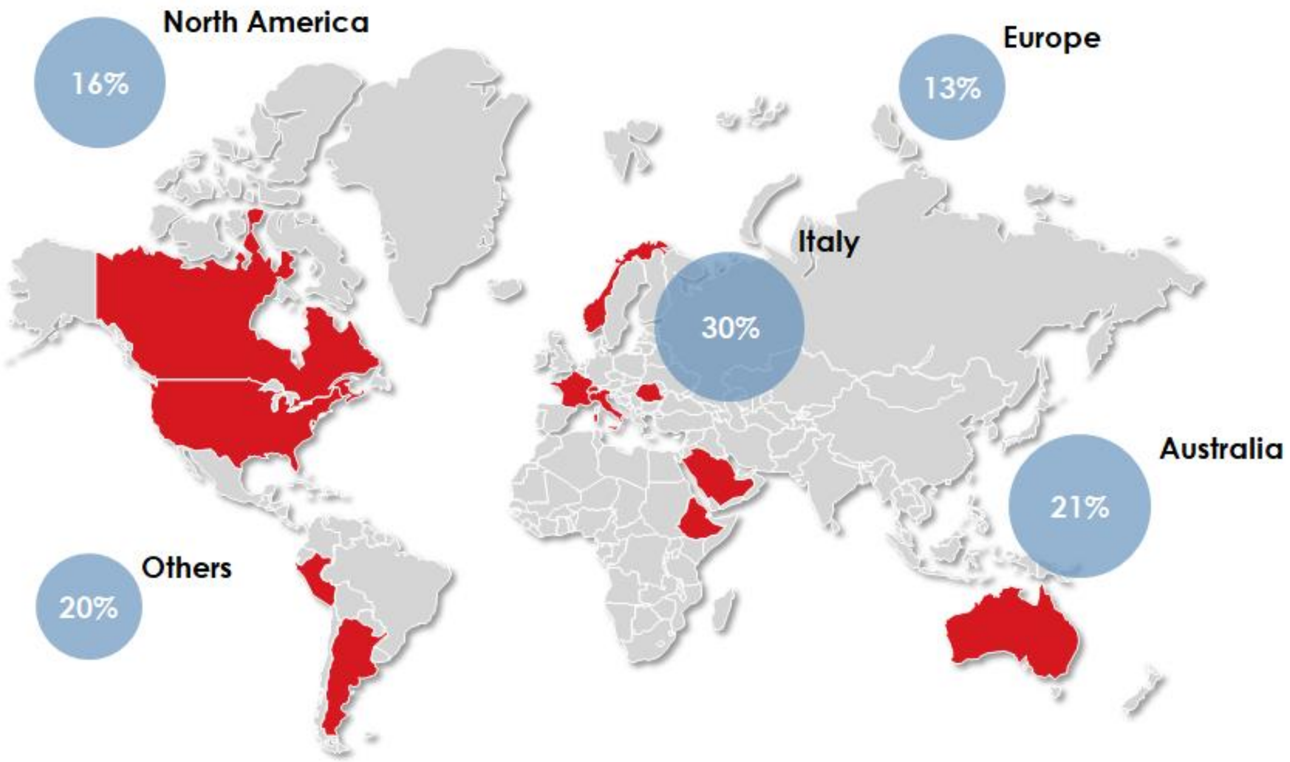
Recognised by Engineering News-Record (ENR) as **the world's top contractor** in the **water infrastructure sector** and **one of the Top 10 for the construction of large sustainable mobility works**, the Group also **leads its domestic market** and is one of the main players on the international stage (it is one of the **Top 10 construction operators in Europe** and an **international player in Australia and the United States**.

Webuild is the most recent chapter in a century-old story. Its journey of the first years of this century has catapulted the Group into prime position in the Italian infrastructure sector and it also became a protagonist on the international stage. In September 2011, Salini S.p.A. began to purchase Impregilo S.p.A. shares on the market and concluded the acquisition by merging with Impregilo in 2014 to create Salini Impregilo S.p.A.. In the ensuing years, it pinpointed a strategy to expand in lower-risk countries, which included the acquisition of Lane in the United States in 2016.

The Group's growth process was continued in 2019 with "Progetto Italia", an initiative to reinforce and relaunch the construction sector in Italy. Its aim was to create a large group in line with its European peers, a stronger home base and to be more competitive in international markets. The initiative was promoted and backed by CDP Equity and major Italian banks, including Intesa Sanpaolo and Unicredit, which currently have an approximate 26% stake in Webuild.

Today, Webuild S.p.A. ("Webuild"), together with its **17.5 thousand**[2] **partners**, works in roughly 50 countries, focusing its business in **Italy, Europe, North America and Australia**, in line with its **derisking** strategy.

H1 2023 revenue by geographical area



Business areas: our contribution to a sustainable world

Webuild **conceives, designs and builds** complex infrastructure for the sustainable mobility, hydro energy, water and green buildings sectors.

Over more than a century, Webuild has built some of the **world's most iconic** infrastructure **projects**, pursuing sustainable development objectives and partnering with its customers to tackle the global challenges tied to the primary needs of the local areas and their communities.

Most of the Group's projects are eligible under the **EU taxonomy** of environmentally sustainable economic activities as they can potentially make a significant contribution to climate change mitigation and/or adaptation.

Sustainable Mobility

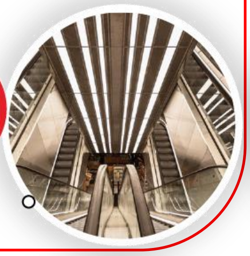
- Metros
- Railways
- Roads and motorways
- Bridges and

61%
revenue
78.1%
Construction backlog

Transport infrastructure is essential to the socio-economic development of cities and regions, the reduction of CO2 emissions to make travel safer.

Webuild's metro line projects alone will enable roughly 4.2 million people to travel quickly, efficiently and in an environmentally-friendly way every day thanks to their state-of-the-art infrastructure.

The high-speed railway projects underway will cut travel times by roughly half, thus avoiding approximately 8.8 million tons of CO2 emissions per year.



Clean hydro energy

- Hydropower plants
- Pumped storage

21%
revenue
10.3%
Construction backlog

Hydropower is the largest source of renewable energy in the world. Of the renewable energies, it is the most reliable and constant source, as well as one of the sources with the lowest unit cost. This makes it an effective solution both as part of the energy transition and to expand access to energy in countries and areas where it is still lacking or insufficient.

The hydropower projects under construction by the Group will have capacity of more than 14,000 MW and will provide low-cost clean energy to tens of millions of people around the world.

Clean Water

4%
revenue
1.8%
Construction backlog

- Drinking water and desalination plants
- Wastewater management plants
- Hydraulic projects
- Drinking water and irrigation water

The sustainable management of water is one of the principal global challenges: 5 billion people live in areas at risk of water scarcity while 2.4 billion do not have access to potable water.

Every day, more than 20 million people are served by the plants built by the Webuild Group company Fisia Italimpianti alone while another approximate 16 million people will benefit from the hydraulic infrastructures currently being built by the Group.

Green buildings

1%
revenue
0.3%
Construction backlog

- Civil and industrial buildings
- Airports
- Stadiums

Designing sustainable infrastructure is essential to improve the liveability of cities in a world that is urbanising quickly.

Over the years, the Group has acquired significant experience in eco design & eco construction techniques, fundamental to reduce the carbon footprint of civil and industrial buildings over their life cycle. The green buildings built by the Group allow reductions of more than 30%.

Strategies and objectives: The future is now

The **2023-2025 business plan** represents the consolidation of a new phase for the Group. Thanks in part to the acquisitions made in recent years as part of Progetto Italia to shore up the Italian construction sector, and the recent acquisition of Clough in Australia, the Group has reached a level of scale, skills and technologies that allows it to achieve more ambitious goals. Webuild intends to cultivate its role as partner to its customers in their climate and energy transition, **tackling the challenges** posed by the **global** megatrends, such as **climate change, population growth, urbanisation and water scarcity**.

The business plan leverages **three drivers** for an increasingly sustainable business:

i) Business growth

The Group has a robust order backlog of €60.7 billion at June 2023, which covers 100% of its forecast revenue and EBITDA for the entire 2023-2025 period.

Webuild's **key markets** have enormous **commercial potential** linked to the programmes for investments in infrastructure and large works, such as Italy's National Recovery and Resilience Plan. Similar programmes exist in Australia and the United States, which have both earmarked large investments for the infrastructure sector and where Webuild has a local base with its subsidiaries Clough and Lane, respectively.

The Group is also pursuing opportunities deriving from **new market segments of the energy transition and sustainable agriculture**, such as for example the production of fertilizers (urea), transmission lines and renewable energy sources, leveraging the technical skills recently acquired with Clough.

It also intends to build up certain group companies so they can exploit new market opportunities, including through their reorganisation.

ii) Operating efficiency and cash generation

Webuild continues to closely monitor its head office and work site costs and to make its investment plan for the 2023-2025 period more efficient.

These actions will allow the Group to improve its cash generation and financial structure.

iii) Investments in safety, innovation and the environment

For Webuild, it is not only important what is built, but also how it is built. The Group builds innovative infrastructure that contributes to the development and well-being of local communities, concretely responding to global challenges, contributing to the economic and social development of the areas in which it operates, and ensuring people's well-being and respect for the environment.

The Group's **5 Priorities** it pursues to ensure excellence, innovation and respect for its stakeholders are: **Planet, People, Partnership, Progress and Prosperity**.

Planet

We protect our planet

People

We care for our people

Partnership

We embrace partnerships

Progress

We foster progress

Prosperity

We advocate prosperity

Webuild has developed its sustainability strategy based on these five pillars with investments in three strategic areas- **Green, Safety & Inclusion and Innovation**, for which it has already achieved important results over the years, as confirmed by its independent ESG ratings.

Webuild is one of the first in its sector in Europe- in 2002- to have drawn up a dedicated Environmental Policy. It intends to continue to lead by example, prioritising protection of the environment and continuing its journey towards decarbonisation. During the 2020-2022 three-year period, it **cut its GHG emissions by 164 thousand tons**, including both emissions generated by activities performed at the work sites and offices (scope 1 & 2) and by its supply chain (scope 3).

Webuild has set itself the following climate action targets:

- reduction of its carbon intensity emissions (scope 1 & 2) by 50% by 2025 compared to the 2017 baseline;
- reduction of its absolute scope 1 & 2 emissions and scope 3 emissions by 47% and 15%, respectively, by 2030 compared to the 2019 baseline; these targets have been validated by the Science Based Target Initiative (SBTi).

The Group's commitment to continuously **improving** the **occupational health and safety** of its people is **pivotal to its strategy**. The Lost Time Injury Frequency Rate (LTIFR) dropped 41% in 2022 compared to the 2017 baseline, exceeding the-40% target for the year.

These milestones are the result of continuous investment in programmes designed to promote a safety culture in all its work places, such as the award-winning occupational culture-change **Safety Builders Program**. The Group is also accelerating the development of innovative solutions capable of improving – through the ever more embedded use of technology – the safety of the high-risk plants, machinery and work areas, which it also does with new immersive learning methods for workers using 3D virtual reality simulators.

In an era of technological and environmental challenges, **innovation** is a strategic lever that the Group is investing in increasingly at both project and corporate level. Its aim is to **optimise the time and costs of its projects** and its social and environmental performances by **improving safety conditions** and the **impact on the infrastructure's environment**.

Webuild's sector is known for the highly customised processing, techniques and technologies deployed depending on the nature of the works to be performed. Each project is unique and requires the development of bespoke solutions based on highly specialist know-how. The Group's work sites are real hives of innovation and advanced research.

At project level, in addition to researching new materials, ensuring worker safety, pursuing quality and protecting the environment, the most challenging activities are those for projects with technical characteristics that cannot be dealt with using conventional techniques and technologies.
At corporate level, the technical departments work unceasingly to develop state-of-the-art methods that best respond to the unique characteristics of each project. Webuild's technical teams work alongside the best experts and professionals in the market, universities and research centres from day one to develop tailored solutions able to meet customers' requirements while protecting the local environment and communities.

Between 2018 and 2022, the Group has invested more than ever before: **in excess of €118 million in innovation, research and development projects**. These projects have involved an average of around 380 group specialised resources each year.

The greater focus on innovation extended to the recruiting of young people as a lever to drive the paradigm shift process faced by the Group and the construction sector as a whole. Webuild has prioritised recruiting, training and the development of its younger resources for many years by designing dedicated professional and training paths. The Group's **Webuild Next-Gen** programme includes various initiatives such as, for example, the Alberto Giovannini Award, to reward the best dissertations and research projects on innovation in the infrastructure sector of university graduates and universities in Italy.

At present, 45% of Webuild's employees are under 35 years old and more than half the new hires of 2023 are under 35.

Directors’ report-
Part I

Milestones achieved in the first half of 2023

Key milestones of the six months

January

- Awarded highway contract to widen the I-4/Sand Lake Road Interchange in Florida, USA (USD218 million)
- Consortium including Webuild awarded contract for the Trento rail bypass on the south access line to the Brenner Base Tunnel (€934 million)

February

- Acquisition of Clough assets completed, making Webuild Group a key player in Australia

March

- Brenner Base Tunnel reaches Austrian border

April

- New contract won to upgrade the larest wastewater treatment plant in Western Australia as part of a joint venture (AUD238 million)
- Contract to upgrade the Caltanissetta Xirbi - Nuova Enna section of the high-capacity Palermo - Catania railway line in Sicily awarded to Webuild joint venture (€1.2 billion)
- Memorandum of Collaboration signed with Ukrhydroenergo, the main hydropower plant operator in Ukraine, to build new hydroelectric infrastructure in that country
- Financial closure reached for construction of Perdaman urea plant in Western Australia by joint venture including Clough (USD2.8 billion)
- Lane and joint venture partners preferred bidder for Tampa's Westshore Interchange (I-275/SR 60) in Florida, USA (USD1 billion)

May

- Laying of first stone for the New Genoa Breakwater
- Fisia Italiampianti awarded two contracts to build and operate a water treatment plant at the ZULUF onshore oil facilities in Saudi Arabia (USD439 million)
- Design and build contract for a 57 km high-speed railway line along the north coast of the Red Sea in Saudi Arabia awarded to a Webuild joint venture by NEOM (€1.4 billion)
- Award of contract to develop the Battipaglia - Romagnano section of the new high-speed Salerno - Reggio Calabria railway line to Webuild joint venture (€2 billion)
- Award of contract to upgrade the Lercara - Caltanissetta Xirbi section of the high-speed Palermo - Catania railway line in Sicily to Webuild joint venture (€1.65 billion)
- Cossi Costruzione awarded contract to develop a section of the Pedemontana Piemontese in Italy (€284 million)
- Arbitration award issued on the Panama Canal proceedings, establishing GUPC's right to an additional USD34.9 million
- ENI's new headquarters completed in San Donato Milanese

June

- Forrestfield-Airport Link wins Award for Public Architecture, the prestigious award for excellence in design and architecture assigned by the Australian Institute of Architects (AIA)
- Tests of the Braila Bridge in Romania completed
- Laying of the first stone for the future Venezia Station on Line C of the Rome Metro to be built by Webuild joint venture
- Awarded contract to upgrade the Fiumetorto - Lercara section of the high-capacity Palermo - Catania railway line in Sicily as part of a joint venture (€1.32 billion)

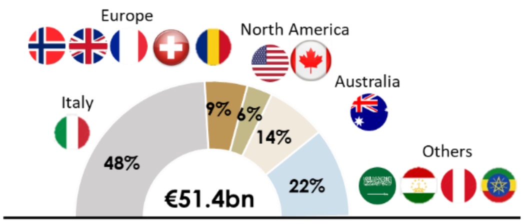
Sustainable Mobility | **Clean Hydro Energy** | **Clean Water** | **Green Buildings & Others** | **Other**

Order backlog

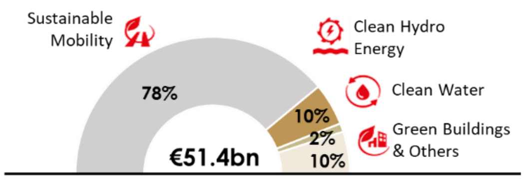
In first half of 2023, the total order backlog amounts to €60.7 billion, including €51.4 billion for construction contracts and €9.4 billion related to concessions and operations & maintenance projects. The construction order backlog continued to grow, increasing by more than 15% on 31 December 2022.

Over 90% of the construction order backlog is tied to achievement of the SDGs. Webuild has continued its geographical de-risking strategy and most of its contracts are based in Italy, central and north Europe, the United States and Australia (78% of the total construction order backlog). They are mainly in segments linked to sustainable mobility, such as high-speed railway lines, the railway sector and the road sector. A breakdown of the construction order backlog by geographical area and business area is as follows:

Construction order backlog by geographical area

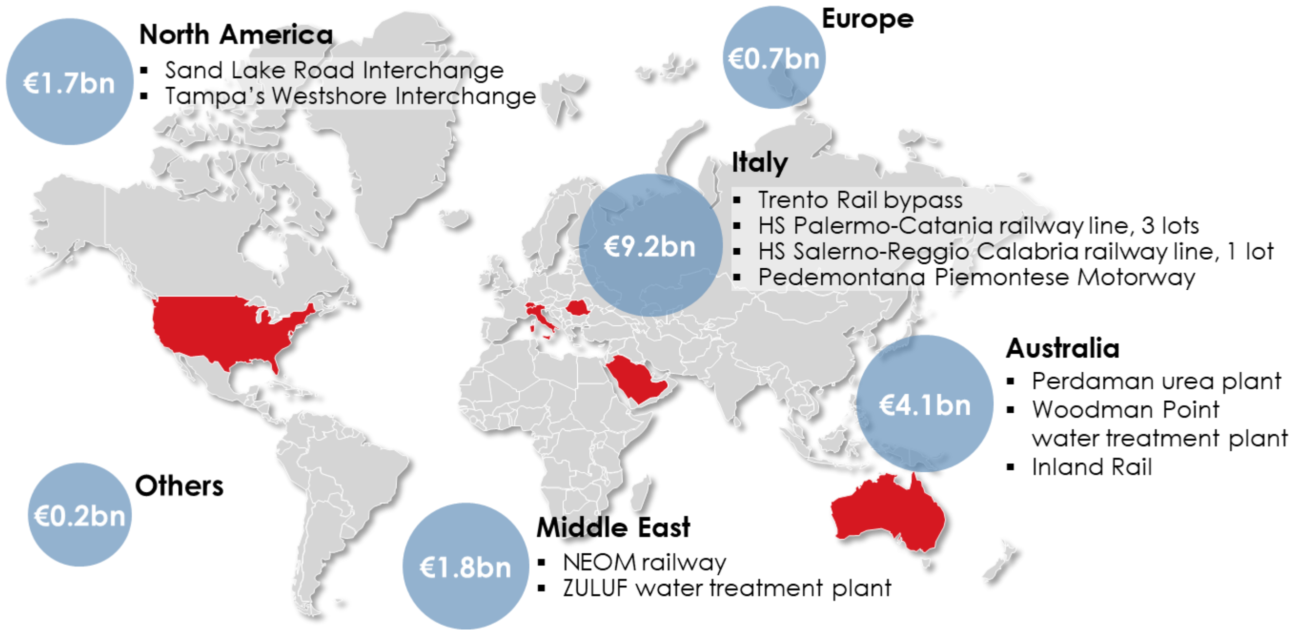


Construction order backlog by business area



Total new orders acquired, including change orders, approximate €17.7 billion, of which roughly 90% obtained in key low-risk geographical areas. They include calls for tenders worth €4.4 billion for which Webuild is the preferred bidder.

A breakdown of the new orders and details of the main contracts won by geographical area is provided below:



The order backlog shows the amount of the long-term construction and concession contracts awarded to the Group, net of revenue recognised at the reporting date. The Group records the current and outstanding contract outcome in its order backlog. Projects are included when the Group receives official notification that it has been awarded the project by the customer, which may take place before the definitive and binding signing of the related contract.

The Group’s contracts usually provide for the activation of specific procedures (mainly arbitrations) to be followed in the case of either party’s contractual default.

The order backlog includes the amount of the projects, including when they are suspended or deferred, pursuant to the contractual conditions.

The value of the order backlog decreases:

- when a contract is cancelled or decreased as agreed with the customer;
- in line with the recognition of contract revenue in profit or loss.

The Group updates the order backlog to reflect amendments to contracts and agreements signed with customers. In the case of contracts that do not have a fixed consideration, the related order backlog reflects any contract variations agreed with the customer or when the customer requests an extension of the execution times or amendments to the project that had not been provided for in the contract, as long as these variations are agreed with the customer or the related revenue is highly probable.

The measurement method used for the order backlog is not a measurement parameter provided for by the IFRS and is not calculated using financial information prepared in accordance with such standards. Therefore, the calculation method used by the Group may differ from that used by other sector operators. Accordingly, it cannot be considered as an alternative indicator to the revenue calculated under the IFRS or other IFRS measurements.

Moreover, although the Group’s accounting systems update the related data on a consolidated basis once a month, the order backlog does not necessarily reflect the Group’s future results, as the order backlog data may be subject to significant variations.

The above measurement method differs from the method used to prepare the disclosure on performance obligations yet to be satisfied in accordance with IFRS 15 as set out in the note 31 to the condensed interim consolidated financial statements. Specifically, the main contract revenue included in the order backlog and not considered in the notes includes:

- revenue from concession contracts as it is earned mainly by equity-accounted investees;
- revenue from the non-subsidiary joint ventures of Lane Group measured using the equity method;
- income from cost recharges attributable to non-controlling members of Italian consortia classified as “Other income”;
- contracts signed with customers that do not meet all the criteria of IFRS 15.9 at the reporting date.

Performance by geographical area

Macroeconomic factors of the first half of 2023

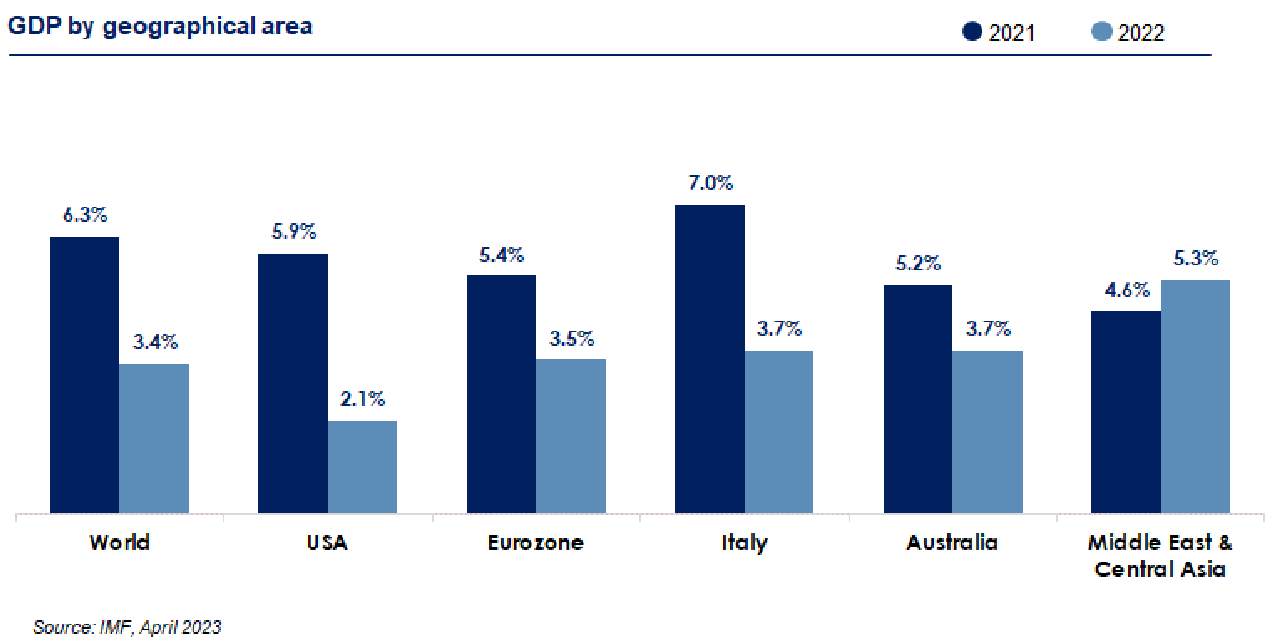
2022 was marked by a number of extraordinary factors with few historical precedents, namely the global fight against inflation, the war in Ukraine and the new waves of Covid in China. The International Monetary Fund (IMF) estimates that global growth was around 3.4% in 2022, down on the 6.2% of 2021.

The initial signs for 2023 indicate that the global economy is poised for a gradual recovery thanks to the dissipation of the effects of the pandemic and the outbreak of the Russia-Ukraine war. China is showing strong recovery after its economic re-opening after the last waves of Covid-19. The supply chain disruptions are easing and pressure on the energy and food markets caused by the war is also diminishing. At the same time, the tighter monetary policies implemented by most central banks are beginning to give results, with inflation expected to return to target levels although over a longer timeline than originally forecast.

However, some of the factors that held back the global economy in 2022 continue to linger, such as the high level of debt which limits countries' ability to implement effective tax measures. Commodity prices, which spiked after the outbreak of hostilities between Russian and Ukraine, have partly returned to more normal levels but there are continued concerns about a potential escalation in the war. Crude oil prices are now in line with those of the second half of 2021 at around USD75 a barrel. Gas futures on the Dutch TTF market have dropped 94% compared to the highs of August 2022.

Eurostat's most recent figures show inflation in the Eurozone at 6.1% in May 2023, down from the 8.1% of one year earlier.

The main central banks have responded to inflation concerns by continuing their tight monetary policies. They again raised rates in the first few months of 2023 albeit by smaller percentages given the downwards trend in inflation rates, weakened economic activity and financial tensions caused by the financial difficulties encountered by some banks. The Fed rates reached 5.25% while the ECB raised its rates to 4%, reaching the all-time highs of the 2007-2028 global financial crisis.



The US economy showed its resilience to the Federal Reserve's considerably tougher monetary policy of 2022 with GDP up over 2%. Growth was driven by rising consumer demand, fuelled in part by a reduction in private savings and the unemployment rate, especially for women and African Americans, down to all-time lows with real wage growth surpassing that of inflation from the second half of 2022. The IMF expects fiscal policy to become expansionary and pro-cyclical again in 2023, even though public debt is well above pre-pandemic levels and continues to rise.

The Eurozone recorded an even better performance with growth up 3.5% in 2022, exceeding the growth projections made after the outbreak of war in Ukraine. A warmer-than-usual winter and more gas supply sources, which lowered prices, offset the macroeconomic impacts of the war in Ukraine. The IMF expects this growth will continue albeit at a slower pace throughout 2023 and 2024 fuelled by a recovery in real income, further improvement in supply chains and growing foreign demand.

Although lower than the 7% achieved in 2021, the Italian economy grew 3.7% in 2022, bolstered by the upturn in tourist-related services and manufacturing activities in the first half of the year and the resumption of infrastructure investments. A drop in consumption was staved off by dipping heavily into the savings accumulated during the pandemic. Employment grew strongly with the unemployment rate at the lowest level of the past decade. The debt/GDP ratio decreased by more than 10 percentage points compared to the peak in 2020 thanks to the significant improvement in nominal GDP. The upturn in GDP in the next few years will mostly be driven by the investments available under the National Recovery and Resilience Plan.

Australia's economy grew 3.7% in 2022 putting it in a stronger position compared to many other advanced economies. The IMF expects inflation to gradually decelerate towards the 2-3% target by the end of 2024. The growth rate is forecast to slow down in 2023, mainly as a result of the erosion of real income, falling house prices and weak global growth leading to smaller export volumes.

Of the other markets important to the Group, the Middle East proved resilient in 2022, posting growth of 5.3%. The IMF expects this trend to slow in 2023, due to both the restrictive policies introduced to combat inflation and the oil production cuts agreed by the OPEC members.

Robust megatrends: investments in infrastructure to drive sustainable growth

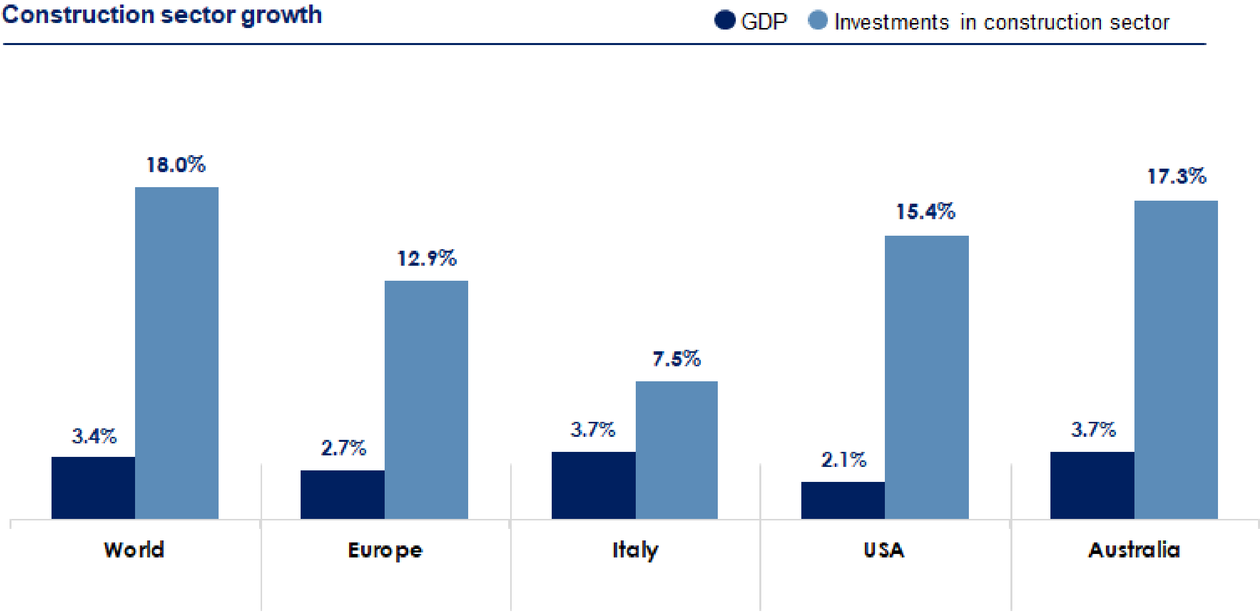
The construction sector and the infrastructure segment in particular are essential drivers of sustainable economic growth.

Global Data estimates that the global volume of investments in construction reached nearly €6 trillion in 2022, an 18% increase over 2021, fuelled by the infrastructure segment, which rose by 20%. This positive trend is expected to continue with a CAGR (compound annual growth rate) of over 8% in 2022-2025 despite the impact of factors like the increase in the cost of raw materials and the saturated labour market in some areas of the world, which hold back the sector's growth.

Investments in infrastructure are one of the main drivers of the sector's overall growth. The easing of post-pandemic restrictions has enabled recovery of works on large projects in 2021 and 2022 and Global Data expects investments to grow strongly over the next few years, especially as a result of the extensive investment programmes in Europe and the United States.

The outlook for this sector over the next few years is boosted by certain main global megatrends, such as population growth, urbanisation, the rising scarcity of resources and climate change, with the consequent investments in infrastructure necessary to mitigate their effect. The eruption of hostilities between Russia and Ukraine and the sudden upswing in natural gas prices highlighted the need to diversify energy supplies. Given the growing political desire to decarbonise the global economy, investments are increasingly earmarked for new projects to obtain electrical energy from renewable sources such as wind, hydroelectric and solar energy.

Construction sector growth



Source: Global Date, May 2023; IMF, April 2023

The European construction market has benefited from the NextGenerationEU funds, enabling many governments to roll out initiatives to encourage investments in infrastructure. The sector grew by almost 13% in 2022 while the infrastructure segment grew more than 14%.

The Italian construction market, which is one of the main sectors benefiting from Italy's National Recovery and Resilience Plan, rebounded in 2021 and maintained momentum in 2022, growing more than 7%. The government's measures to help the sector by tackling the issue of rising raw materials prices have allowed the infrastructure works fundamental for the country's development to continue. The market is expected to continue to grow in the next few years, thanks mostly to the investments made available under this Plan.

The new Procurement Code was published in the Italian Official Journal in March 2023, establishing certain fundamental guidelines to relaunch the sector such as: i) the inclusion of the list of priority works directly in the Economic and Financial Document, ii) the digitalisation of the tendering bodies, iii) the shortening of contract assignment times, iv) a price revision clause, v) streamlining and acceleration of payment methods, with provision for contract advances of up to 30%, and vi) the set up of a technical consultancy board whose decisions on disputes between customers and general contracts becomes immediately effective.

The US and Australian construction sectors grew over 15% in 2022. According to Global Data, the numerous investment plans, such as the Investment and Infrastructure and Jobs Act, the Inflation Reduction Act and the CHIPS and Science Act will all drive strong growth in the next few years in the civil, industrial and energy infrastructure sectors in the United States. The increase in investments in the Australian construction sector will be bolstered by public infrastructure, mostly in the transport, renewable energies, mining and oil & gas sectors.

Italy

Reference context

Italy is ranked 25th in the SDG Global Rank, the index that measures progress towards achievement of the SDGs in 163 countries around the world. Italy shows progress in the majority of the goals that are most pertinent to the Group's business areas although there is room for improvement with respect to, in particular, public mobility and the fight against climate change.

SDG	AREAS FOR IMPROVEMENT RELATED TO THE GROUP'S BUSINESS AREAS	KPI	TREND	GROUP CONTRIBUTION
	Wastewater treated	58.8%	In line with objectives	
	Renewable energy in final consumption	18.2%	In line with objectives	
	Quality of transportation infrastructure (1=very unsatisfactory, 5=excellent)	3.9	In line with objectives	The ongoing projects are mostly for the Sustainable Mobility (railways, metros and road projects) and Green Buildings (civil and industrial) areas, with a positive contribution to achievement of the SDGs in terms of improved transport and lower GHG emissions.
	Satisfaction with public transport	41%	Stable	
	CO_2 emissions per capita linked to energy and cement production (ton)	5.0	Improving	

Main ongoing projects

The following table shows the amounts involved in the main contracts in portfolio:

(Share in millions of Euros)

Project	Residual order backlog at 31 December 2022	Percentage of completion	Residual order backlog at 30 June 2023	Percentage of completion
High-speed Palermo- Catania- Messina railway line (Lercara- Caltanissetta Xirbi lot 3)	-	0.0%	1,655.2	0.0%
High-speed Palermo- Catania- Messina railway line (Fiumetorto- Lercara lots 1 and 2)	-	0.0%	1,319.7	0.0%
High-speed Palermo- Catania- Messina railway line (Caltanissetta Xirbi- Nuova Enna lot 4A)	-	0.0%	1,218.1	0.1%
High-speed Palermo- Catania- Messina railway line (Taormina- Giampilieri lot 2)	1,038.0	3.0%	1,016.2	5.4%
High-speed Palermo- Catania- Messina railway line (Taormina- Fiumefreddo lot 1)	631.0	2.3%	691.4	3.2%
High-speed Palermo- Catania- Messina railway line (Enna- Dittaino section)	616.4	0.0%	606.9	1.6%
High-speed Palermo- Catania- Messina railway line (Bicocca- Catenanuova section)	117.8	59.0%	85.6	70.7%
High-speed/capacity Verona- Padua railway line	3,670.2	16.2%	3,535.3	20.9%
High-speed/capacity Milan- Genoa railway line	2,580.0	60.6%	2,294.9	65.6%

(Share in millions of Euros)

Project	Residual order backlog at 31 December 2022	Percentage of completion	Residual order backlog at 30 June 2023	Percentage of completion
High-speed Naples- Bari railway line (Hirpinia- Orsara section)	1,073.7	2.0%	1,048.6	2.9%
High-speed Naples- Bari railway line (Apice- Hirpinia section)	462.3	30.4%	485.9	36.6%
High-speed Naples- Bari railway line (Orsara- Bovino section)	381.6	3.1%	369.3	5.4%
High-speed Naples- Bari railway line (Naples- Cancello section)	237.2	55.4%	207.8	62.5%
High-speed Salerno- Reggio Calabria railway line (Battipaglia- Romagnano section, lot 1A)	-	0.0%	2,039.0	0.0%
Pedemontana Lombarda Motorway	1,256.0	0.3%	1,244.3	1.2%
New Genoa Breakwater	842.6	0.0%	1,008.7	2.7%
Trento rail bypass (lot 3A)	-	0.0%	931.2	0.4%
SS-106 state road Jonica- Third maxi-lot	658.6	38.5%	545.8	49.5%
Fortezza- Verona railway line (Fortezza- Ponte Gardena section)	534.9	2.1%	530.0	3.1%
Milan- Metro Line 4	186.6	86.0%	161.8	88.1%
Other	3,383.8		3,620.9	
Total	**17,670.5**		**24,616.8**	

High-speed Palermo- Catania- Messina railway line

This project is part of the Palermo- Catania- Messina railway axis, included in the Scandinavian- Mediterranean Corridor of the Trans-European Transport Network (TEN-T). Upon completion, travel between Messina and Catania will be approximately 30 minutes faster, facilitating a service similar to a metro line from Catania to Taormina/Letojanni.

The Group is currently involved in construction of the following sections of the line assigned by RFI:

- **Lot 3 Lercara- Caltanissetta Xirbi –** development of a new 47 km railway line, including tunnels of 22 km, viaducts of 11 km, connected roads of 32 km and modernisation of the Vallelunga Station for a consideration of €1,655.5 million (Webuild Group: 60%). At the date of preparation of this report, the executive designs are being prepared;
- **Lots 1 and 2 Fiumetorto- Lercara –** development of a new 30 km railway line, including tunnels of 20 km, viaducts of 2 km, connection roads of 7 km and three stations for a consideration of €1,319.8 million (Webuild Group: 75%). At the date of preparation of this report, the executive designs are being prepared;
- **Lot 4 A Caltanissetta Xirbi- Nuova Enna –** development of a new 27 km railway line, including tunnels of 20 km, mostly to be bored using tunnel boring machines (TBMs), and viaducts of 3 km for a consideration of €1,218.8 million (Webuild Group: 75%). At the date of preparation of this report, the executive designs are being prepared;

- **Lot 2 Taormina- Giampilieri** – preparation of the executive designs and performance of the works to develop a new railway line of approximately 28.3 km and build two single tube bored tunnels, six twin tube bored tunnels and seven viaducts for a consideration of €1,051.3 million. The main activities performed in the first six months of 2023 included ordnance clearance, setting up work sites, preparing the areas for the TBMs, pilings and micro pilings for the tunnel entrance walls and resolving interference issues with the underground utility cables with the operators. The production plant for the prefabricated tunnel sections is under construction;
- **Lot 1 Taormina - Fiumefreddo** – development of a new railway line of roughly 13.9 km, including an underground station, a single tube bored tunnel, a twin tube bored tunnel, an artificial tunnel and two viaducts, connection with an existing station, two stops and restoration of the existing roads and hydraulics. The contract is worth €640.2 million (Webuild Group: 70%). During the first half of 2023, the executive designs were completed and approved, amending the consideration to €705.6 million;
- **Enna- Dittaino** – development of a new 15-km railway line, including the new Enna Station, upgrading of the Dittaino Station, three tunnels and five viaducts for €616.7 million (Webuild Group: 70%). At the date of preparation of this report, the executive designs are being prepared. The preparatory works for Part A were carried out during the first half of 2023 and the customer is expected to deliver the site areas for Part B in order that the related preparatory works can be carried out;
- **Bicocca- Catenanuova** – doubling of an approximately 38 km section between Bicocca and Catenanuova on the Palermo- Catania line carried out in part alongside the historic line, currently single-track, in part by laying a double track. The €234 million contract also covers the building of viaducts and artificial tunnels, restructuring the Bicocca Station and a signal box (Motta S. Anastasia). During the first half of 2023, work performed included the substantial completion of the civil works for the viaducts and overpasses, discontinuation of the existing railway line, continuation of the ordnance clearance activities and earthwork as well as completion of some sections of the road-railway part.

High-speed/capacity Verona- Padua Railway Project

The Iricav Due Consortium (Webuild Group: 82.93%) is RFI's (Rete Ferroviaria Italiana S.p.A.) general contractor for the design and construction of the high-speed/capacity Verona- Padua railway line section. The line, expected to cost an estimated €4.8 billion, will be 78.8 km long (running through the provinces of Verona, Vicenza and Padua) and is split into three functional lots.

Work on the first lot, worth approximately €2.5 billion, is underway for a length of 44.2 km crossing 13 municipalities. It will quadruple the existing line, increasing the quality of the Italian railway system and assisting its integration into the European network.

During the first half of 2023, the executive design activities were continued, as were the expropriation work, ordnance clearance and environmental activities. The consortium also resolved the interferences with the existing underground utility cables and the motorway with the relevant operators. Work continued at the Verona work site and the contractors awarded works through EU calls for tenders began their activities.

The definitive designs for the second functional lot covering the sections running through the city of Vicenza have been completed and the related financial offer has been presented to RFI. After evaluating its adequacy, the customer obtained the CIPESS' (the inter-ministerial committee for economic planning and sustainable development) resolution to update the financial terms of the contract enabling the signing of the second rider and commencement of the works in the near future.

High-speed/capacity Milan- Genoa Railway Project

The COCIV Consortium is RFI's general contractor for the design and construction of the high-speed/capacity Milan- Genoa railway line section (Giovi third railway crossing) and the Genoa Junction works to upgrade the Voltri-Brignole infrastructure and the last mile between the Giovi third railway crossing and Genoa Port.

The contract is worth approximately €4.8 billion and covers the construction of a railway line along 54 km, including 37 km of tunnels. It is split into six non-functional construction lots, integrated by the activities for the Genoa railway junction.

The new infrastructure will improve connections between the port and the main railway lines in northern Italy and the rest of Europe in line with the European Transportation Commission's intention to increase rail freight traffic by 30% by 2030 and 50% by 2050 to the benefit of the environment, safety and the economy. The railway line will also significantly optimise transportation and considerably shorten the travel times on the Genoa- Milan, Genoa- Turin and Genoa- Venice lines.

In the first half of 2023, work continued on the Giovi third railway crossing and the Genoa Junction, including commencement of work for the two recent agreements signed in the last quarter of 2022.

High-speed Naples- Bari railway line

The high-capacity Naples- Bari railway line project is of great strategic importance to southern Italy as it will connect its two most important economic and urban areas. It will extend the high-speed/capacity service to southern Italy, linking it with the rest of Italy and reducing travel times by between 20% to 45%. Development of the Naples- Bari section has been identified as a priority as part of the new Trans-European Transport Network (TEN-T).

The Group is currently involved in construction of four sections of the line assigned by RFI:

- **Hirpinia- Orsara** – a 28 km section mostly running through tunnels worth €1,074.8 million (Webuild Group: 70%). During the period, the Group presented the executive designs to RFI for approval (still pending). It also continued the ordnance clearance works and the set-up of the base and operating work sites;
- **Apice- Hirpinia** – a 18.7 km section between Benevento and Avellino, construction of the Hirpinia Station, three bored tunnels and four viaducts for a total consideration of €628.6 million (Webuild Group: 100%). In the first half of 2023, activities included the reinforced concrete elevation works and assembly of the two TBMs, which are expected to start work in the second half of the year;
- **Orsara- Bovino** – an 11.8 km section mostly running through tunnels worth €388.0 million (Webuild Group: 70%). During the first six months of 2023, works at the tunnel entrances were continued as well the site set-up activities;
- **Naples- Cancello** – a 15.5 km section between Naples and Cancello worth €455.7 million (Webuild Group: 100%). In the first half of 2023, activities continued with the laying of elevations and decks of the viaducts, the slabs and undercover excavation of the artificial tunnel and embankments along the section. In addition, all the preparatory activities are underway for the excavation of the GA01 tunnel in hyperbaric conditions.

High-speed Salerno- Reggio Calabria railway line (Battipaglia- Romagnano lot 1A)

The new high-speed Salerno- Reggio Calabria railway line is a part of the strategic passenger and freight line connecting southern and northern Italy extending the country's backbone route. Lot 1A (Battipaglia- Romangno) is the first major section of a larger project to build a modern, sustainable infrastructure system that can manage the mobility requirements of a large interregional basin, and remedy the chronic shortage of railway lines in the areas involved.

The contract covers the development of a new railway line of 35 km, including tunnels of 14 km, viaducts of 6 km and artificial tunnels of 5 km as well as a junction to connect with the existing line. It is worth €2,039.4 million (Webuild Group: 60%). At the date of preparation of this report, the executive designs are being prepared.

Pedemontana Lombarda Motorway

Pedelombarda Nuova S.C.p.A. (Webuild Group: 70%) is the general contractor for the executive designs and works for Section B2 (requalification of the former State Road 35 from Lentate sul Seveso to Cesano Maderno) and Section C (construction from the former State Road 35 from Cesano Maderno to the A51 Milan East Bypass), as well as the related works for the local roads flanking the motorway.

The works were commissioned by Autostrada Pedemontana Lombarda S.p.A. and the contract, signed in December 2022, is worth approximately €1.26 billion.

The customer issued the notice to proceed on 12 December 2022 when the contractual period started for preparation of the executive designs.

In May 2023, Pedelombarda Nuova S.C.p.A. applied for an extension to the timeline for presentation of the executive designs citing reasons not attributable to it which meant it would be unable to complete the designs within the contractually-established period.

At the date of preparation of this report, a new delivery date is being negotiated.

New Genoa Breakwater

The PerGenova Breakwater Consortium (Webuild Group: 40%) was set up to design and build Genoa's new breakwater roughly 6,200 metres long which will reduce wave action within the port, extend the manoeuvring space for ships and ensure depths of up to 50 metres to allow next generation container ships to berth at Genoa Port. The contract is worth approximately €843 million and deploys innovative construction technologies. It will also be sustainable in order to maximise the circular economy. During the first half of 2023, the definitive and executive designs for Phase A and related preparatory works were completed. Activities to consolidate the sea bed are proceeding at a fast pace with the laying of roughly 100,000 tons of gravel.

Trento rail bypass (Lot 3A)

The Tridentum Consortium (Webuild Group: 55%) was set up to build the Trento rail bypass, a variation of the historic Verona- Brennero line for the part that crosses the city, and the new Trento Nord Station on the Trento Malè railway line.

This Lot 3A is part of the more extensive project to quadruple the Fortezza- Verona railway line as part of the upgrading of the TEN-T Scandinavian-Mediterranean corridor.

The contract is worth approximately €934.6 million and covers the construction of a twin tube tunnel of roughly 11 km and all the work necessary to connect the new tracks with the existing line.

During the first half of 2023, site start-up activities commenced for the “preparatory works for Part A”, i..e, the north entrance to the tunnel of the San Martino- former Filzi railway yard section and the south entrance to the tunnel in the Acquiviva area.

SS-106 state road Jonica- Third maxi-lot

Sirjo S.c.p.A. is the general contractor for the design & build contract for the third maxi-lot of SS-106 state road Jonica in the province of Cosenza (38 km). The contract is worth approximately €980 million and is of great strategic importance as the project is part of the Trans-European Transport Network TEN-T.

In the first half of 2023, works continued for the underground excavation of the Trebisacce and Roseto Tunnels. Activities were also continued to complete the viaduct decks, the road works and minor works. With respect to the North section, excavations continued for the artificial tunnels, the foundation and elevation works for the viaducts, as well as all the works on the final section of the maxi-lot that interfere with the current road system.

Fortezza- Verona railway line (Fortezza- Ponte Gardena section)

The new Fortezza- Ponte Gardena line, commissioned by RFI, is the natural continuation of the Brenner Base Tunnel, designed to extend the Verona- Innsbruck- Munich axis as part of the Scandinavian- Mediterranean Corridor of the Trans-European Transport Network TEN-T.

The Group has a 51% stake in the consortium awarded the design & build contract worth €1,071.4 million for the new high-capacity line of approximately 22.5 km, nearly entirely underground, which continues on from the Brenner Base Tunnel between Fortezza and Ponte Gardena.

On 30 November 2022, after approval of the executive designs for Part A, rider no. 1 was signed redefining the contract consideration as €1,071.8 million and the notice to proceed was formalised.

During the first half of 2023, the preliminary process for the drawings part of the executive designs for the fourth and final phase continued (Part B). Most of the technical documentation has been approved while negotiations about the financial aspects are underway.

Milan- Metro Line 4

Metro Blu S.c.a.r.l. (Webuild Group: 100%) was set up to carry out the works and services related to the civil works to build the new Line 4 of the Milan Metro, which will connect the eastern and western sides of the city, passing through the historic centre of Milan and out to Linate Airport.

The new line, which will be fully automated (i.e., driverless) with intelligent traffic control technology, will cover a 15.2 km stretch from Linate to Lorenteggio. It will increase Milan's public sustainable mobility system carrying an additional 24 thousand passengers an hour in each direction.

As a result of the rider and the new construction contract agreed on 25 September 2019, the consideration for the EPC contract is €1.8 billion.

The Linate- San Babila section is fully operational, allowing travel times of just 12 minutes from the airport to the city centre. All the other stops along the route to the San Cristoforo Terminal, including Sforza Policlinico (which will connect with the M3 line) will be open to the public by the end of 2024. Once completed, Line 4 will contribute to removing 180 thousand car per day from the road, generating significant benefits in terms of avoidable CO2 emissions.

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Some of the ongoing contracts have incurred unforeseen costs for which requests for additional consideration have been presented. The costs are included in the measurement of contract assets and liabilities for the part deemed highly probable to be recovered, based also on the opinions of the Group's advisors.

Italian concessions

The Group's current concessions principally relate to the mobility sector (motorways, metros and car parks).

The following tables show the key figures of the most significant Italian concessions at the reporting date, broken down by business area:

MOTORWAYS

Country	Operator	% of investment	Total Km	Stage	Start date	End date
Italy (Pavia)	SaBroM S.p.A. (Broni Mortara)	60	50	Not yet active	2010	2057

METROS

Country	Operator	% of investment	Total Km	Stage	Start date	End date
Italy (Milan)	SPV Linea 4 S.p.A. (Milan Metro Line 4)	19.3	15	Partly in service (*)	2014	2045

(*) Eight of the 21 stations have been placed in service. The works are slated for completion in the second half of 2024.

CAR PARKS

Country	Operator	% of investment	Stage	Start date	End date
Italy (Terni)	Corso del Popolo S.p.A.	100	Active	2016	2046

OTHER

Country	Operator	% of investment	Stage	Start date	End date
Italy (Terni)	Piscine dello Stadio S.r.l.	99.716	Active	2014	2041

Lane

Reference context

The US is ranked 41st in the SDG Global Rank, the index that measures progress towards achievement of the SDGs in 163 countries around the world. The US shows progress in the majority of the goals that are most pertinent to the Group's business areas although there is still room for improvement with respect to, in particular, renewable energy.

SDG	AREAS FOR IMPROVEMENT RELATED TO THE GROUP'S BUSINESS AREAS	KPI	TREND	GROUP CONTRIBUTION
6	Wastewater treated	58.9%	In line with objectives	The ongoing projects are mostly for the Sustainable Mobility (railways, metros and road projects) and Clean Water (hydraulic engineering works and environmental remediation projects) areas, with a positive contribution to achievement of the SDGs in terms of improved transport, water management and water quality, and lower GHG emissions.
7	Renewable energy in final consumption	7.9%	Stable	
9	Quality of transportation infrastructure (1=very unsatisfactory, 5=excellent)	4.1	In line with objectives	
11	Satisfaction with public transport	65.0%	Improving	
13	CO_2 emissions per capita linked to energy and cement production (ton)	14.2	Improving	

Main ongoing projects

The following table shows the amounts involved in the main contracts in portfolio:

(Share in millions of Euros)

Project	Residual order backlog at 31 December 2022	Percentage of completion	Residual order backlog at 30 June 2023	Percentage of completion
I-495 NEXT- Washington, D.C.	361.9	14.8%	323.3	23.5%
Tyndall Airforce Base – Florida	318.6	5.8%	292.0	12.3%
Florida Turnpike Enterprise- Minneola to US27 – Florida	213.4	2.2%	182.6	14.8%
I-4 Sand Lake Road Interchange- Florida	-	0.0%	193.3	3.8%
Downtown Tampa Interchange- Florida	203.1	3.0%	193.6	5.9%
Kansas City's Levees Flood Protection Project- Missouri	209.2	14.8%	178.9	26.8%
I-40- Orange County- North Carolina	200.3	9.6%	191.3	17.2%
I-405 Bellevue- Flatiron-Lane JV- Washington State	177.0	39.8%	184.9	42.6%
I-440 Beltline Widening- North Carolina	168.6	54.1%	146.8	61.2%
Other	992.4		625.0	
Total	**2,844.5**		**2,511.6**	

I-495 NEXT- Washington, D.C.

Lane Construction was selected to build the 495 Express Lanes Northern Extension (495 NEXT) in Virginia with Transurban, one of the biggest international developers and operators of toll roads. The contract is worth USD441 billion. The project is fundamental to improve mobility in one of the most congested corridors in the US in the Washington, D.C. area. The 495 NEXT will connect to the future I-495 (Capital Beltway) in Maryland to enhance multimodal mobility and connectivity in the area, including an expansion of the American Legion Bridge between Virginia and Maryland to accommodate the travel needs of a growing population in the Washington, D.C. area.

The design activities were substantially completed during the first half of 2023.

Tyndall Airforce Base- Florida

The contract, worth USD357 million awarded by the U.S. Army Corps of Engineers (USACE), provides for rebuilding part of the Tyndall Airforce Base (AFB) and building more functional and resilient infrastructure to cope with future exceptional climate events. This design & build contract is part of a more far-reaching long-term plan to upgrade the AFB and includes the design and building of roadways, car parks, electrical, hydraulic, wastewater, storm water, communication and fire protection systems and related works.

During the first half of 2023, design activities continued and construction of the telecommunications infrastructure and ponds commenced.

Florida Turnpike Enterprise- Minneola to US27- Florida

Commissioned by the Department of Transportation of Florida, this contract worth USD233 million involves widening from four to eight lines a seven-mile section of the Turnpike Mainline (SR 91) from the Minneola Interchange at O'Brien Road to Lake County. The project includes widening the highway, milling and resurfacing work, new storm water treatment facilities, new bridge structures, new tolling sites, signage, road marking, lighting and communications improvements.

The project will provide added capacity to meet future traffic demand, improve emergency evacuation times and safety.

The design activities were continued during the first half of 2023.

I-4 Sand Lake Road Interchange- Florida

The USD218 million contract covers the conversion of the Sand Lake Road/I-4 Interchange into a Diverging Diamond Interchange. The revamped interchange will contribute to meeting future traffic demand and improve driver safety and efficiency.

The initial designs are being prepared.

Downtown Tampa Interchange – Florida

The USD224 million contract to redesign and rebuild the I-275/I-4 Interchange in Tampa, Florida was commissioned by the Department of Transportation of Florida. It is part of the Tampa Bay NEXT initiative together with the Westshore Interchange and Westshore Corridor projects awarded at the start of 2023. It will provide multi-modal transport choices to distribute the traffic more evenly, move people and goods more efficiently, speed up the travel times, and connect the quarters. The main improvements include widening the existing single lane ramp from southbound I-275 to eastbound I-4 to two lanes, widening the existing single lane ramp from the westbound I-4 to I-275 north to two lanes and widening the existing two lane ramp from westbound I-4 to the southbound I-275 to three lanes.

The design activities were continued during the first half of 2023.

Kansas City’s Levees Flood Protection Project- Missouri

The Kansas City’s Levees Flood Risk Management Project was awarded by U.S. Army Corps of Engineers and is worth approximately USD260 million.

Contract works include raising the existing levees and floodwalls by an average of four feet, replacing and modifying them, building new sections, and numerous rail yard flood gate closure structures located in the states of Kansas and Missouri, along some 17 miles.

Construction work was continued during the first half of 2023.

I-40- Orange County- North Carolina

The €236 million contract assigned to Lane includes widening 11 miles of I-40 from four to six lanes, from the interconnection with I-85 to Durham County Line in Orange County, North Carolina. This will help relieve heavy congestion that develops during peak hour times.

During the first half of 2023, the design work continued and construction work commenced.

I-405 Bellevue- Washington State

The USD793 contract provides for the widening of the highway and installation of a dual express toll system on Washington’s I-405 between the I-405/SR Interchange in Renton and the NE 6th Street in Bellevue, one of the state’s most travelled and congested corridors.

Construction work was continued during the first half of 2023.

I-440 Beltline Widening – North Carolina

The Raleigh Beltline contract is worth USD400 million and covers the widening of the I-440 from four to six lanes along a 6.5 mile section.

Construction work was continued during the first half of 2023.

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Some of the ongoing contracts have incurred unforeseen costs for which requests for additional consideration have been presented. The costs are included in the measurement of contract assets and liabilities for the part deemed highly probable to be recovered, based also on the opinions of the Group's advisors.

Abroad

Oceania

Australia

Reference context

Australia is ranked 38th in the SDG Global Rank. It shows progress in the majority of the goals that are most pertinent to the Group's business areas in this country, although there is room for improvement with respect to, in particular, renewable energy and the fight against climate change.

SDG	AREAS FOR IMPROVEMENT RELATED TO THE GROUP'S BUSINESS AREAS	KPI	TREND	GROUP CONTRIBUTION
6	Wastewater treated	92.7%	In line with objectives	The ongoing projects are mostly for the Sustainable Mobility (metros and roads) and Clean Hydro Energy (pumped-storage hydro) areas, with a positive contribution to achievement of the SDGs in terms of improved transport, greater generation of electrical energy from renewable sources and lower GHG emissions.
7	Renewable energy in final consumption	7.3%	Stable	
9	Quality of transportation infrastructure (1=very unsatisfactory, 5=excellent)	4.0	In line with objectives	
11	Satisfaction with public transport	63%	In line with objectives	
13	CO_2 emissions per capita linked to energy and cement production (ton)	15.4	Stable	

Main ongoing projects

The following table shows the amounts involved in the main contracts in portfolio:

(Share in millions of Euros)

Project	Residual order backlog at 31 December 2022	Percentage of completion	Residual order backlog at 30 June 2023	Percentage of completion
SSTOM Sydney Metro	2,441.0	0.0%	2,289.3	3.0%
North East Link	1,968.6	5.3%	1,775.2	10.8%
Snowy Hydro 2.0	2,305.9	42.6%	1,740.6	56.1%
Perdaman Project	-	0.0%	1,220.8	1.8%
Other	60.1		385.6	
Total	**6,775.6**		**7,411.4**	

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SSTOM Sydney Metro

The Parklife Metro SSTOM consortium, which includes Webuild Group (78%), will build the new metro line connecting Sydney with the new airport. The contract (Webuild Group's share: AUD3.8 billion) provides for the construction of six stations along the section from the St. Marys interchange station to the Western Sydey Aerotropolis station, a stabling and maintenance facility (SMF) at Orchard Hills as well as the superstructure,

signalling systems, mechanical and electrical systems for the entire line and the supply of the new driverless trains.
Webuild also has a 10% stake in the 15-year concession as the equity provider.
The contract was signed on 20 December 2022 and the design activities were continued in the first half of 2023 before the work sites are set up.

North East Link

The Spark Consortium, of which the Group is the leader for the design and build works with a 29% share, was awarded the primary package of the North East Link in Melbourne, worth an estimated AUD11.2 billion. The project includes twin three lane tunnels of approximately 6.5 km to complete the missing link in Melbourne's freeway network between the Metropolitan Ring Road (M80) and the Eastern Freeway in the city's northeast.
Webuild is also involved in the 32-year concession as an equity provider of the operator (with a share of 7.5%).
During the first half of 2023, placement of the pilings was completed and the excavation work was continued together with the activities to complete the storage area and the warehouse to manage the earth and rocks excavated from the tunnels.

Snowy Hydro 2.0

This contract, worth AUD5.3 billion (Webuild Group: 100%), involves linking the Tantangara and Talbingo reservoirs by excavating a series of tunnels and building an underground power station with pumping capacity located nearly 1 km underground. Commissioned by Snowy Hydro Ltd, one of the biggest energy producers in Australia, the project will increase the Snowy Mountains Hydroelectric Scheme's current generating capacity of 4,100 MW by 2,000 MW.
The excavation of the main access tunnel to the underground power station using the TBM Eileen has been completed as well as most of the surface activities necessary to perform the contract.
In the first half of 2023, the boring of the other tunnels connecting the two existing reservoirs Tantagara and Talbingo was continued as was the excavation of the piezometric wells.

Perdaman Project

The SC Joint Venture (Webuild Group: 50%) will build a urea plant in the Burrup Peninsula in Western Australia for Perdaman Chemicals & Fertilisers. This production plant will be the largest of its kind in Australia and one of the biggest in the world with capacity of more than 2 million tons of urea (important to support agriculture and food security) per year.
Webuild's share of the contract, signed on 21 April 2023, is approximately USD1.4 billion. The related engineering and procurement activities are underway.

Europe

Romania

Reference context

Romania is ranked 30th in the SDG Global Rank. It shows progress with respect to the quality of transport infrastructure although there is room for improvement in the other goals that are most pertinent to the Group's business areas.

SDG	AREAS FOR IMPROVEMENT RELATED TO THE GROUP'S BUSINESS AREAS	KPI	TREND	GROUP CONTRIBUTION
	Wastewater treated	30.3%	N.A.	
	CO2 emissions to generate energy (Mton/TWh)	1.2	Stable	
	Quality of transportation infrastructure (1=very unsatisfactory, 5=excellent)	2.9	In line with objectives	The ongoing projects are mostly for the Sustainable Mobility (railways, roads and bridges) area, with a positive contribution to achievement of the SDGs in terms of improved public transport and lower GHG emissions.
	Satisfaction with public transport	58%	Deteriorating	
	CO_2 emissions per capita linked to energy and cement production (ton)	3.7	Stable	

Main ongoing projects

The following table shows the amounts involved in the main contracts in portfolio:

(Share in millions of Euros)

Project	Residual order backlog at 31 December 2022	Percentage of completion	Residual order backlog at 30 June 2023	Percentage of completion
Sibiu- Pitesti Motorway, Lot 3	998.1	0.1%	1,000.8	0.6%
Sibiu- Pitesti Motorway, Lot 5	431.4	26.7%	414.7	36.0%
Caransebes- Timişoara- Arad railway line, Lot 4	294.6	0.0%	313.6	0.5%
Caransebes- Timişoara- Arad railway line, Lot 3	194.6	0.0%	207.0	0.5%
Cluj-Bihor railway line, Lot 4	220.7	0.0%	228.7	0.2%
Frontieră- Curtici- Simeria railway line, Lot 3	63.3	78.9%	51.3	83.0%
Frontieră- Curtici- Simeria railway line, Lot 2B	47.6	78.2%	39.8	81.8%
Frontieră- Curtici- Simeria railway line, Lot 2A	31.4	81.6%	21.2	87.6%
Braila Bridge	74.0	80.3%	34.6	91.1%
Other	37.7		36.7	
Total	**2,393.4**		**2,348.4**	

Sibiu- Pitesti Motorway

Commissioned by CNAIR (the state company owned by the Romanian Ministry of Transport and Infrastructure), the contract worth approximately €1.6 billion covers the design and construction of the Sibiu- Pitesti Motorway, one of the most important motorway sections under development in Romania. It is 85% financed by EU funds and the remaining 15% by state funds.

- **Lot 3** – the contract of more than the equivalent of €1 billion performed by a consortium led by the Group (90%) provides for the design and construction of 37.4 km of Lot 3 of the Sibiu- Pitesti Motorway, the construction of 48 bridges and viaducts, a 1.7 km tunnel, two interchanges, consolidation works, two service areas, a maintenance and control centre and work to preserve the environment.

The notice to proceed was issued on 1 February 2023 and the consortium is currently carrying out the demining, archaeological research, topographic survey, geotechnical and design investigations.

- **Lot 5** – the contract worth approximately €648 million (Webuild Group: 100%) covers the development of more than 30 km of the Sibiu- Pitesti Motorway. During the first half of 2023, the Group carried out most of the consolidation works on the embankment surface and almost all of the minor civil works cast on site.

Caransebeș- Lugoj- Timişoara- Arad railway line

The project of RON3.6 billion comprises the rehabilitation of the Caransebeș- Lugoj- Timişoara- Arad railway line and track doubling to allow the operation of passenger trains at up to 160 km/h and freight trains at up to 120 km/h. It is split into two lots and is part of the Pan European Corridor IV. The customer is CFR (Romania's national railway company) and the works are financed by the EU as part of the Large Infrastructure Operational Programme (LIOP) and state funds.

- **Lot 4 Ronat Triaj Gr. D-Arad** – the contract, for which the Group is the leader (72.65%), is worth RON2.2 billion. It includes the rehabilitation of the existing single track line over around 55.2 km and the construction of a new track of roughly 10.6 km.

  During the first half of 2023, work continued on the detailed and executive designs and the related preparatory activities were carried out. At the date of preparation of this report, works management is assessing the designs. Their approval will be followed by receipt of the construction permit and subsequent commencement of construction work.

- **Lot 3 Timisoara Est- Ronat Triaj Gr. D** – the contract, for which the Group is the leader (72.1%), is worth RON1.5 billion and includes the modernisation of the Caransebeș- Lugoj- Timişoara- Arad railway line of 162.6 km. It includes Lot 3 which mostly runs through the city of Timisoara with three railway stations (East Timisoara, North Timişoara and Ronat) over 13.86 km.

  After the signing of the contract and issue of the notice to proceed in 2022, the consortium commenced design activities in the first half of 2023 in order to obtain the construction permit.

Cluj- Oradea- Bihor- Hungarian border railway line, Lot 4 Alesd- border

The contract worth approximately RON2.4 billion was awarded to a joint venture in which the Group has a 62.5% share. It provides for the modernisation of the current Cluj- Oradea- Bihor- Hungarian border railway line as part of the upgrading of the railway infrastructure financed by Romania's National Recovery and Resilience Plan funds.

The initial phases of the project were carried out during the first six months of 2023. The work mostly consists of doubling the historic line and rehabilitating 46 km of the existing line, building five railway stations, including the related buildings, three metal bridges, 11 steel-concrete composite bridges and additional works.

Frontieră- Curtici- Simeria railway line

The contract of RON6.9 billion covers the rehabilitation of 120 km of the Frontieră- Curtici- Simeria railway line (split into three lots), which is part of the Pan European Corridor IV. The customer is CFR (the Romanian National Railways Company). The works are 75% funded by the EU as part of the LIOP and 25% by the state.

- **Lot 3** – the contract includes the rehabilitation of 36 km of the Frontieră- Curtici- Simeria railway line and the construction of a new 5 km section between Gurasada and Simeria for a total length of 41 km. It also comprises the construction of three metal bridges over the Mures River and four overpasses in urban areas, electrification and the renovation of four railway stations and four stops. In the first half of 2023, activities continued to lay the ballast, build the superstructure, and carry out the electrification works and restructuring of the Simeria Station. The contract has been awarded to a joint venture which includes Webuild (49.5%).
- **Lots 2A and 2B** – these lots include the rehabilitation of around 80 km of the railway line as well as the construction of seven stations, four stops, 36 bridges and a tunnel. The contract has been awarded to a joint venture led by Webuild (49.5%).

During the first half of 2023, the works related to the railway infrastructure for Lot 2A were nearly completed while the site possession activities for Lot 2B related to the excavation in hard rock were resumed.

Braila Bridge

The works, worth RON3 billion, are part of the country's transport master plan and are financed using EU funds as part of the LIOP. Commissioned by CNAIR, the contract covers the design and construction of a suspension bridge and roughly 23 km of national roads and related works and was awarded to a joint venture led by the Group (60%).

The bridge is the longest in Romania and the second longest suspension bridge in continental Europe.

In the first half of 2023, works on the suspended bridge (waterproofing of metal deck segments, laying of asphalt, installation of safety barriers and road lighting system) were completed. In June, the inspections, including static and dynamic load tests were concluded.

Construction of the maintenance facility and the toll gates was also completed along with roughly 9.5 km of the road making the bridge ready for use. Completion of these works has meant that the suspended bridge and access roads can be opened to the public.

Work to move the materials and complete the road infrastructure with all the related engineering and hydraulic structures has continued on the remaining roughly 12 km of the roads (which is not essential to allow the bridge to be used).

France

Reference context

France is one of the countries where the Group operates with the highest sustainability levels. It is ranked 7th in the SDG Global Rank. France shows progress in the majority of the goals that are most pertinent to the Group's business areas although there is room for improvement with respect to, in particular, public transport.

SDG	AREAS FOR IMPROVEMENT RELATED TO THE GROUP'S BUSINESS AREAS	KPI	TREND	GROUP CONTRIBUTION
6	Wastewater treated	88%	In line with objectives	The ongoing projects are mostly for the Sustainable Mobility (metros and railways) area, with a positive contribution to achievement of the SDGs in terms of improved public transport and lower GHG emissions.
7	Renewable energy in final consumption	10.6%	Improving	
9	Quality of transportation infrastructure (1=very unsatisfactory, 5=excellent)	4.0	In line with objectives	
11	Satisfaction with public transport	63%	Deteriorating	
13	CO_2 emissions per capita linked to energy and cement production (ton)	4.2	Improving	

Main ongoing projects

The following table shows the amounts involved in the main contracts in portfolio:

(Share in millions of Euros)

Project	Residual order backlog at 31 December 2022	Percentage of completion	Residual order backlog at 30 June 2023	Percentage of completion
TELT- Turin-Lyon Tunnel- Lot 2	758.5	4.4%	811.2	8.3%
Other	111.0		54.7	
Total	**869.5**		**865.9**	

TELT lot 2

The contract, worth €1.4 billion, covers a section of the base tunnel running from Turin to Lyon, which is part of the European TEN-T infrastructure programme. The works, commissioned by Tunnel Euralpin Lyon Turin (TELT), to be carried out by a joint venture (Webuild Group: 50%), relate to lot 2, operating work sites 6 (La Praz) and 7 (Saint-Martin-de-la-Porte) and entail the excavation of tunnels of 46 km, including two parallel tunnels and auxiliary tunnels between the towns of Saint-Martin-de-la-Porte and La Praz on the French side of the border.

During the first half of 2023, work was completed on the final section of the La Praz access adit while activities continued on the external installations. Excavation of the connection shaft for operating work site 6 and the logistics tunnel for operating work site 7 commenced.

Norway

Reference context

Norway is ranked 4th in the SDG Global Rank. It shows progress in the majority of the goals that are most pertinent to the Group's business segments although there is room for improvement with respect to, in particular, the fight against climate change.

SDG	AREAS FOR IMPROVEMENT RELATED TO THE GROUP'S BUSINESS AREAS	KPI	TREND	GROUP CONTRIBUTION
6	Wastewater treated	64.3%	In line with objectives	
7	Renewable energy in final consumption	47.6%	In line with objectives	
9	Quality of transportation infrastructure (1=very unsatisfactory, 5=excellent)	3.7	In line with objectives	The ongoing projects are mostly for the Sustainable Mobility (railways and roads) area, with a positive contribution to achievement of the SDGs in terms of improved public transport and lower GHG emissions.
11	Satisfaction with public transport	68%	In line with objectives	
13	CO_2 emissions per capita linked to energy (ton)	7.6	Improving	

Main ongoing projects

The following table shows the amounts involved in the main contracts in portfolio:

(Share in millions of Euros)

Project	Residual order backlog at 31 December 2022	Percentage of completion	Residual order backlog at 30 June 2023	Percentage of completion
Rv.555 The Sotra Connection	430.8	5.7%	378.1	9.5%
Nykirke- Barkaker railway line	90.5	81.3%	42.6	90.4%
Total	**521.2**		**420.7**	

Rv.555 The Sotra Connection

The contract of €1.2 billion (over NOK13 billion), called Rv.555 - Sotra Connection, commissioned by the Norwegian Public Roads Administration (NPRA), is of great strategic importance to Norway. Part of the Norwegian government's infrastructure upgrading plan, the project entails the design, construction, financing and operation under concession of a road network that includes 9 km of motorway and a suspension bridge (the new Sotra Bridge) between Øygarden and Bergen. The bridge will be 30 metres wide and 900 metres long with towers 144 metres high. The project also includes 12.5 km of tunnels (including secondary tunnels), 19 road and pedestrian underpasses, 23 tunnel portals, 22 bridges and viaducts and 14 km of pedestrian and bicycle paths.

The design & build project has been structured as a public-private partnership (PPP) involving various players, including the grantor Norwegian Public Roads Administration (NPRA), the operator Sotra Link AS (Webuild Group: 10% share), the operator and contractor Sotra Link Construction AS (Webuild Group: 35% share).

In the first half of 2023, the design activities were continued and construction of the two tunnels, four road underpasses, three bridges and the foundations of the New Sotra Bridge started.

Nykirke- Barkaker railway line

The contract, worth €433 million, covers the construction of a new railway section of 13.6 km between the towns of Nykirke and Barkaker, south of Oslo.

The joint venture, comprising Webuild as leader (51% share) won the contract from Bane NOR, the state-owned company responsible for Norway's railway infrastructure. The joint venture will design and build a double-track line, including two bridges, three tunnels and a station near Horten.

All the intermediate milestones were achieved in the first half of 2023 and specifically the bored Skottas Tunnel, two artificial tunnels, the railway section in the southern area, the civil works at the Horten station while the electromechanical works and steel covering are in progress.

Africa

Ethiopia

Reference context

Ethiopia is ranked 128th in the SDG Global Rank. With respect to the goals that are most pertinent to the Group's business areas, it has achieved the targets for the fight against climate change, mainly thanks to the massive investments in renewable energy, although there is still ample room for improvement with respect to water and mobility.

SDG	AREAS FOR IMPROVEMENT RELATED TO THE GROUP'S BUSINESS AREAS	KPI	TREND	GROUP CONTRIBUTION
6	Population with access to basic drinking water services	49.6%	Stable	
7	Population with access to electricity	48.3%	In line with objectives	
9	Quality of transportation infrastructure (1=very unsatisfactory, 5=excellent)	2.1	N.A.	The ongoing projects are mostly for the Clean Hydro Energy (hydropower plants) area, with a positive contribution to achievement of the SDGs in terms of greater generation of electrical energy from renewable sources and lower GHG emissions.
11	Satisfaction with public transport	51%	In line with objectives	
13	CO_2 emissions per capita linked to energy and cement production (ton)	0.1	Goal achieved	

Main ongoing projects

The following table shows the amounts involved in the main contracts in portfolio:

(Share in millions of Euros)

Project	Residual order backlog at 31 December 2022	Percentage of completion	Residual order backlog at 30 June 2023	Percentage of completion
Koysha	1,456.3	49.5%	1,400.0	52.6%
Gerd	542.5	87.2%	438.9	89.6%
Other	9.5		8.6	
Total	**2,008.3**		**1,847.6**	

Koysha Hydroelectric Project

This project of €2.5 billion is on the Omo River, about 370 km south west of the capital Addis Ababa. It was commissioned by Ethiopian Electric Power (EEP) and includes the construction of a dam with a 9 billion cubic metre capacity reservoir and annual energy generation of 1,800 MW. The project also includes access roads, a new bridge over the river and a 400 KW transmission line from GIBE III to Koysha, which became operational in 2022.

During the first half of 2023, the pouring of the roller compacted concrete (RCC) continued to raise the dam walls and the initial structural phases of the power house were started.

Gerd

The Gerd project, located approximately 500 km north west of the capital Addis Ababa, consists of the construction of the hydroelectric power plant, the Grand Ethiopian Renaissance Dam (GERD), and the largest dam in the African continent (1,800 metres long, 170 metres high).

This project, worth €3.5 billion and commissioned by the Ethiopian Electric Power Corporation (EEPCo), includes the main dam in RCC, a secondary dam, two power stations on the two banks of the river with total installed power of 5,150 MW and estimated production of 15,700 Gwh/year, a concrete spillway with capacity of 15,000 m^3/s, a rockfill saddle dam (5 km long, 15.3 million m^3 in volume) and related works.

The power station’s first turbine was started up in 2022.

In the first half of 2023, activities to raise the low block retaining wall to 620 metres ASL continued to guarantee the dam’s hydraulic protection up to the design level of 628 metres on both the right and left abutments.

Americas

Canada

Reference context

Canada is ranked 29th in the SDG Global Rank. It shows progress in the area of transport infrastructure quality with reference to the goals that are most pertinent to the Group’s business areas, although there is room for improvement with respect to, in particular, renewable energy and the fight against climate change.

SDG	AREAS FOR IMPROVEMENT RELATED TO THE GROUP'S BUSINESS AREAS	KPI	TREND	GROUP CONTRIBUTION
6	Wastewater treated	67.4%	N.A.	The ongoing projects are mostly for the Sustainable Mobility (light rail), Green Buildings and other areas, with a positive contribution to achievement of the SDGs in terms of improved public transport, the built environment and lower GHG emissions.
7	Renewable energy in final consumption	16.2%	Deteriorating	
9	Quality of transportation infrastructure (1=very unsatisfactory, 5=excellent)	3.8	In line with objectives	
11	Satisfaction with public transport	57%	Deteriorating	
13	CO_2 emissions per capita linked to energy and cement production (ton)	14.2	Stable	

Main ongoing projects

The following table shows the amounts involved in the main contracts in portfolio:

(Share in millions of Euros)

Project	Residual order backlog at 31 December 2022	Percentage of completion	Residual order backlog at 30 June 2023	Percentage of completion
Ontario Line – Rolling Stock, Systems, Operations and Maintenance (RSSOM)	416.4	0.8%	410.6	2.3%
Hurontario Light Rail Project	311.5	54.1%	238.1	65.9%
Other	19.7		8.1	
Total	**747.6**		**656.8**	

Ontario Line – Rolling Stock, Systems, Operations and Maintenance (RSSOM)

The RSSOM project is part of the more extensive Ontario Line project, which involves the construction of a 16 km metro line and 15 stations across Toronto to connect the Exhibition Centre to the Science Centre.

It entails the design, supply, installation, testing and commissioning of the systems, railway works and construction of the maintenance facility. The civil works of €685 million have been assigned to a joint venture led by Webuild (65%).

In the first half of 2023, the personnel mobilisation phase was commenced and the design phase started.

Hurontario Light Rail Project

The project, commissioned by Infrastructure Ontario and Metrolinx, is worth €917 million and includes the construction of an 18-km light rail transit system.

The works, assigned to a joint venture in which the Group has a 70% share, include the construction of a station, 19 above-ground stops, third party infrastructure, road resurfacing and widening, construction, modifications and rehabilitation of bridges, car parks and an operations maintenance storage facility for the LRT vehicles.

During the first half of 2023, several key milestones were achieved: near completion of construction of the Operations Maintenance Storage Facility, which will be the central hub for the maintenance, repair and storage of the LRT vehicles, completion of the QEW Pushbox and Lakeshore West Pushbox, strengthening of the infrastructure along the track, completion of the burn-in process for the rails/track, which will allow installation of the systems.

Peru

Reference context

Peru is ranked 58th in the SDG Global Rank. It shows progress in the some of the goals that are most pertinent to the Group's business areas, although there is room for improvement with respect to, in particular, water and mobility.

SDG	AREAS FOR IMPROVEMENT RELATED TO THE GROUP'S BUSINESS AREAS	KPI	TREND	GROUP CONTRIBUTION
	Wastewater treated	46.4%	N.A.	
	CO2 emissions to generate energy (Mton/TWh)	0.9	In line with objectives	
	Quality of transportation infrastructure (1=very unsatisfactory, 5=excellent)	2.3	Deteriorating	The ongoing projects are mostly for the Sustainable Mobility (metros) area, with a positive contribution to achievement of the SDGs in terms of improved public transport and lower GHG emissions.
	Satisfaction with public transport	54%	Stable	
	CO_2 emissions per capita linked to energy and cement production (ton)	1.4%	In line with objectives	

Main ongoing projects

The following table shows the amounts involved in the main contract in portfolio:

(Share in millions of Euros)

Project	Residual order backlog at 31 December 2022	Percentage of completion	Residual order backlog at 30 June 2023	Percentage of completion
Lima Metro Line 2	459.7	41.9%	411.7	47.0%
Total	**459.7**		**411.7**	

Lima Metro Line 2 and Ramal Av. Fuacett- Av. Gambeta

The contract, signed with the Ministry of Transport and Telecommunications, promoted by the Agencia de Promociòn de la Inversiòn Privada, worth USD3 billion, covers the construction of the works and operation of the infrastructure over the 35-year concession for Line 2 of the Lima Metro.

The Group's share of the construction work is 25.5%. It comprises 35 km of underground tracks, 35 stations, 35 ventilation and emergency shafts and two storage areas. Line 2 will link the eastern side of the capital with the Callao port area to the west.

In the first half of 2023, the civil, electromechanical and electronic works continued at some of the stations as did the boring of the tunnels using the TBMs. During the period, preparation of the definitive designs was also continued as well as the integration tests of the non-rail systems in section 1A.

Asia

Tajikistan

Reference context

Tajikistan is ranked 78th in the SDG Global Rank. It shows progress in the majority of the goals that are most pertinent to the Group's business areas, although there is still room for improvement with respect to, in particular, water and mobility.

SDG	AREAS FOR IMPROVEMENT RELATED TO THE GROUP'S BUSINESS AREAS	KPI	TREND	GROUP CONTRIBUTION
6	Wastewater treated	2.3%	N.A.	The ongoing projects are mostly for the Clean Hydro Energy (hydropower plants) area, with a positive contribution to achievement of the SDGs in terms of greater generation of electrical energy from renewable sources and lower GHG emissions.
7	CO2 emissions to generate energy (Mton/TWh)	0.2	In line with objectives	
9	Quality of transportation infrastructure (1=very unsatisfactory, 5=excellent)	2.2	Deteriorating	
11	Satisfaction with public transport	77%	In line with objectives	
13	CO_2 emissions per capita linked to energy and cement production (ton)	1.0	In line with objectives	

Main ongoing projects

The following table shows the amounts involved in the main contract in portfolio:

(Share in millions of Euros)

Project	Residual order backlog at 31 December 2022	Percentage of completion	Residual order backlog at 30 June 2023	Percentage of completion
Rogun Hydropower Project	1,906.6	39.7%	1,598.9	46.2%
Total	**1,906.6**		**1,598.9**	

Rogun Hydropower Project

The project, commissioned by the state-run company OJSC "Rogun HPP" Open Joint-Stock Company, includes the construction of a 335 metre-high rockfill dam with a clay core, the tallest in the world, on the Vakhsh River in Pamir, one of Central Asia's main mountain ranges.

Once completed, the project, with an original value of USD1.9 billion, will provide electrical energy from six 600 MW turbines which, at full capacity, will have a total installed capacity of 3,600 MW.

On 30 July 2022, addendum no. 1 was signed establishing a new work programme and related milestones as well as additional work. The contract consideration has increased to USD2.3 billion.

In the first half of 2023, work on the concrete pad in RCC continued as did work to consolidate the core's foundations while the main materials to be used to build the dam were transported to the site and used. The installation activities of Phase 2 of the materials conveyor belt system also took place.

Middle East

Saudi Arabia

Reference context

Saudi Arabia is ranked 96th in the SDG Global Rank. It shows progress in the majority of the goals that are most pertinent to the Group's business segments, although there is ample room for improvement with respect to, in particular, water management.

SDG	AREAS FOR IMPROVEMENT RELATED TO THE GROUP'S BUSINESS AREAS	KPI	TREND	GROUP CONTRIBUTION
6	Wastewater treated	11.8%	N.A.	
7	CO2 emissions to generate energy (Mton/TWh)	1.5	In line with objectives	The ongoing projects are mostly for the Sustainable Mobility (metros) and Green Buildings and other (civil and commercial buildings, urbanisation, etc.) areas, with a positive contribution to achievement of the SDGs in terms of improved public transport, the built environment and lower GHG emissions.
9	Quality of transportation infrastructure (1=very unsatisfactory, 5=excellent)	3.1	In line with objectives	
11	Satisfaction with public transport	80%	In line with objectives	
13	CO_2 emissions per capita linked to energy and cement production (ton)	18.0	Improving	

Main ongoing projects

The following table shows the amounts involved in the main contracts in portfolio:

(Share in millions of Euros)

Project	Residual order backlog at 31 December 2022	Percentage of completion	Residual order backlog at 30 June 2023	Percentage of completion
NEOM Connector South Civil Works	-	0.0%	1,380.6	0.5%
Riyadh National Guard Military (SANG Villas)	679.6	46.1%	603.3	51.3%
Diriyah Square Super Basement	632.0	18.6%	424.6	44.5%
Riyadh Metro Line 3	466.3	87.3%	403.3	89.0%
Other	67.5		47.8	
Total	**1,845.3**		**2,859.7**	

NEOM Connector South Civil Works

This €1.4 billion project commissioned by NEOM includes the design and construction of most of the Connector South, a high-speed railway line along the north coast of the Red Sea in Saudi Arabia which will connect Oxagon, NEOM's state-of-the-art industrial centre, with the futuristic city The Line.

The international joint venture led by the Group with a 70% stake has been commissioned to build a high-speed railway line and a freight line, both double track, along 57.2 km. The contract also includes viaducts, road bridges, and road and rail underpasses.

The joint venture has only recently acquired this contract. During the first half of 2023, it began the design activities, geognostic investigations, work site set-up and the initial earth movement activities, which are still underway.

Riyadh National Guard Military (SANG Villas)

The Group has a 51% share in this contract commissioned by Saudi Arabia National Guard worth USD1.4 billion. The project includes housing and urban planning on a large scale with the construction of 5,750 villas in an area of 7 million square metres in the Khashm-Alan area to the east of Riyadh.

The project also comprises public buildings, mosques, markets, schools, public parks and recreational areas as well as a road network of more 250 km, paths and utilities with above and below ground connections.

During the first half of 2023, work on the villas in five districts continued. In addition to the 472 villas in District A, the joint venture is developing the related services and roads and construction of two mosques has started.

Diriyah-Super Basement Riyadh

Commissioned by Diriyah Gate Development Authority, this project is worth €840 million and includes the construction of Diriyah Square- Package 2 Super Basement, a mega multi-storey car park for 10,500 vehicles. The car park will have three underground floors and a total surface area of around 1 million square metres. The Group's share is 51%.

The car pack will be built in the new district in the north-west area of the Saudi capital along the Western Ring Road and will be part of an ambitious urban development plan for the historical district which is a UNESCO heritage site. The contract includes the development of a network of pedestrian streets, public squares, courtyards, souks and bazaars.

In the first half of 2023, the excavation and waterproofing works were continued as well as the preparation of the protective screed.

Riyadh Metro Line 3

Commissioned by the Royal Commission for Riyadh City, this USD7.3 billion design & build contract (the consideration has been increased as a result of amicable agreements reached with the customer about previous disputes) covers Line 3 of the Riyadh Metro. This is the longest line of the challenging project for the new metro system of Saudi Arabia's capital. It will have a transportation capacity of up to five thousand people per hour in each direction.

The international consortium led by Webuild (66%) is responsible for building 41.2 km of the metro line, 22 stations, two maintenance facilities and related works.

In the first half of 2023, after substantial completion of the civil works, the consortium has almost finished the systems set-up and fit-out works for the 22 stations and two facilities. The urban development and landscaping activities are underway and the trains' dynamic and static tests are being performed.

…

Some of the ongoing contracts have incurred unforeseen costs for which requests for additional consideration have been presented. The costs are included in the measurement of contract assets and liabilities for the part deemed highly probable to be recovered, based also on the opinions of the Group's advisors.

Foreign concessions

The Group's foreign concessions comprise both investments in the operators, which are fully operational and, hence, provide services for a fee or at rates applied to the infrastructure's users, and operators that are still developing and constructing the related infrastructure and will only provide the related service in future years.

The current concessions are held in Latin America (Argentina, Colombia and Peru), Australia, Canada, the UK and Norway. They refer to the transportation sector (motorways and metro systems), hospitals, renewable energy and water treatment sectors.

The following tables show the main figures of the foreign concessions at the reporting date, broken down by business area:

MOTORWAYS

Country	Operator	% of investment	Total km	Stage	Start date	End date
Argentina	Autopistas del Sol S.A.	19.8	120	Active	1993	2030
Argentina	Mercovia S.A.	60.0	18	Active	1996	2023
Australia	Spark North East Link Pty Ltd.	7.5	6.5	Under construction	2021	2053
Colombia (Ruta del Sol)	Yuma Concesionaria S.A.	48.3	465	Active	2011	2036
Norway	Sotra Link HoldCo A.S.	10.0	14	Under construction	2022	2042

METROS

Country	Operator	% of investment	Total km	Stage	Start date	End date
Australia	Parklife Metro Pty Ltd	10.0	23	Under construction	2022	2041
Canada	Connect 6ix General Partnership	10.0	15.6	Under construction	2022	2061
Canada	Mobilink Hurontario General Partnership	35.0	20	Under construction	2019	2055
Peru	Metro de Lima Linea 2 S.A.	18.3	35	Under construction	2014	2049

ENERGY FROM RENEWABLE SOURCES

Country	Operator	% of investment	Installed voltage	Stage	Start date	End date
Argentina	Yacylec S.A.	18.7	T line	Active	1992	2091
Argentina	Enecor S.A.	30.0	T line	Active	1995	2094

HOSPITALS

Country	Operator	% of investment	No. of beds	Stage	Start date	End date
GB (Oxford Hospital)	Ochre Solutions Ltd.	40.0	220	Active	2005	2038

Operations & Maintenance

The Group has decided to leverage this segment to strengthen its foothold in the sector of integrated management of services for high tech infrastructure. As well as being complementary and synergistic to the Group's core business, the O&M segment generates stable revenue over time and requires low deployment of invested capital. The Group is particularly interested in the hospital segment, where it has already has significant expertise thanks to its prior experience gained in the concessions segment. It has already identified interesting opportunities for long-term contracts for a variety of services (hard maintenance and heat/energy management, healthcare technology - electro-medical services, related services, commercial and hotel services, etc.).

The following tables show the key figures of the O&M contracts at the reporting date, broken down by business area:

HOSPITALS

Country	Operator	% of investment	Stage	Start date	End date
Italy (Prato 4 Tuscan Hospitals)	GE.SAT. S.C. a r.l.	53.9	Active	2007	2033
Italy (Mestre Hospital)	M.O.MES. S.C. a r.l.	60.0	Active	2008	2032
Turkey	Ankara Etlik Hastane Isletme Ve Bakim A.S.	51.0	Active	2022	2043

CAR PARKS

Country	Operator	% of investment	Stage	Start date	End date
Italy (extraordinary maintenance contracts, Bologna, Verona, Turin)	Webuild S.p.A.	n.a.	Active	2014	2039

MOTORWAYS

Country	Operator	% of investment	Stage	Start date	End date
Turkey	Otoyol Isletme Ve Bakim A.S.	18.1	Under operation	2016	2035

Financial highlights

The “Adjusted reclassified statement of profit or loss” table presents the Group’s adjusted key figures for the first half of 2023 compared to those for the corresponding period of 2022.

Adjustments are not provided for by the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Boards and endorsed by the European Union.

The Group deems that these adjusted figures and data provide information useful to management and investors to assess the Group’s performance and compare it to its peers. They also provide an additional picture of the results.

More information about the calculation of the figures in the adjusted reclassified statement of profit or loss is provided later in the “Alternative performance indicators” section.

Adjusted reclassified statement of profit or loss

(€m)	1st half 2022 adjusted Webuild Group	Joint ventures not controlled by Lane (*)	Amortisation of intangible assets as part of Astaldi's PPA	Impairment-Ukraine	Adjusted	1st half 2023 adjusted Webuild Group	Joint ventures not controlled by Lane (*)	Amortisation of intangible assets as part of Astaldi's PPA	GUPC award	Adjusted
Revenue	3,835.5	37.6	-	-	3,873.1	4,536.0	28.4	-	-	4,564.4
Gross operating profit (loss) (EBITDA)	**255.7**	**(4.4)**	**-**	**-**	**251.3**	**291.9**	**(3.4)**	**-**	**-**	**288.5**
Gross operating profit (loss) margin (EBITDA) %	*6.7%*	*-11.7%*			*6.5%*	*6.4%*	*-12.0%*			*6.3%*
Operating profit (loss) (EBIT)	**39.4**	**(4.4)**	**36.9**	**52.3**	**124.2**	**108.4**	**(3.4)**	**33.6**	**-**	**138.6**
R.o.S. %	*1.0%*	*-11.7%*			*3.2%*	*2.4%*	*-12.0%*			*3.0%*
Net financing income (costs)	49.5	-	-	-	49.5	(68.1)	-	-	-	(68.1)
Net gains (losses) on equity investments	(4.4)	4.4	-	-	-	(27.6)	3.4	-	30.6	6.4
Profit before tax (EBT)	**84.5**	**-**	**36.9**	**52.3**	**173.7**	**12.6**	**-**	**33.6**	**30.6**	**76.8**
Income taxes	(51.5)	-	(8.8)	(11.0)	(71.3)	(40.7)	-	(8.1)	-	(48.8)
Profit (loss) from continuing operations	**33.0**	**-**	**28.1**	**41.3**	**102.4**	**(28.1)**	**-**	**25.5**	**30.6**	**28.0**
Loss from discontinued operations	(14.8)	-	-	-	(14.8)	(0.6)	-	-	-	(0.6)
Non-controlling interests	(23.8)	-	-	-	(23.8)	(4.4)	-	-	-	(4.4)
Profit (loss) for the period attributable to the owners of the parent	**(5.6)**	**-**	**28.1**	**41.3**	**63.8**	**(33.1)**	**-**	**25.5**	**30.6**	**23.0**

(*) The Group monitors the key figures of Lane Group for management purposes adjusting the IFRS figures prepared for consolidation purposes to present the results of the non-subsidiary joint ventures consolidated on a proportionate basis. These figures show the status of contracts managed directly by Lane or through non-controlling investments in joint ventures.

Adjusted revenue for the period is €4,564.4 million compared to €3,873.1 million for the corresponding period of 2022. The increase of €691.4 million (18%) is fuelled by the continuation of activities in Italy (bolstered by the investments in sustainable mobility under the National Recovery and Resilience Plan - high-speed/capacity Milan - Genoa, Verona - Padua and Naples - Bari railway lines) and abroad, and specifically in Australia (Snowy Hydro 2.0 and the North East Link in Melbourne) and the Middle East (Diriyah Square Super Basement in Saudi Arabia).

The adjusted gross operating profit amounts to €288.5 million (EBITDA margin 6.3%), up 15% or €37.3 million on the corresponding period of 2022, while the adjusted operating profit comes to €138.6 million (EBIT margin 3.0%) showing an 11.5% or €14.3 million increase on the first six months of 2022.

Net financing costs approximate €68.1 million compared to net financing income of €49.5 million for the corresponding period of 2022.

They include:

- financial expense of €110.7 million (€ 88.9 million), partly offset by financial income of €32.3 million (€66.7 million);
- net exchange gains of €10.2 million (net gains of €71.7 million).

The rise in net financing costs is mostly due to i) currency issues given the US dollar's significant appreciation against the Euro in the reporting period, ii) the decrease in financial income (financial income in the corresponding period of the previous year included €29 million from the discharging of debts of the subsidiary Afragola FS and the interest collected after settlement of the dispute with the customer for Lot 4 of the Orastie - Sibiu Motorway in Romania, and iii) the increase in the cost of debt reflecting the performance of the benchmark rates.

The adjusted profit before tax amounts to €76.8 million compared to €173.7 million for the corresponding period of the previous year.

Adjusted income taxes for the period amount to €48.8 million compared to €71.3 million for the first half of 2022.

The adjusted profit from continuing operations comes to €28.0 million compared to a profit of €102.4 million for the corresponding period of the previous year.

The profit attributable to non-controlling interests is €4.4 million compared to €23.8 million for the first half of 2022.

As a result of the above, the adjusted profit attributable to the owners of the parent amounts to €23.0 million compared to a profit of €63.8 million for the corresponding period of previous year.

Performance

This section presents the Group's reclassified statement of profit or loss and statement of financial position and a breakdown of its financial position at 30 June 2023. It also provides an overview of the main changes in the Group's financial position and financial performance compared to the corresponding period of the previous year.

Unless indicated otherwise, figures are provided in millions of Euros and those shown in brackets relate to the previous year.

The "Alternative performance indicators" section gives a definition of the financial statements indicators used to present the Group's financial position and financial performance for the period.

Group performance

The following table shows the Group's reclassified IFRS statement of profit or loss:

Table 1- Reclassified statement of profit or loss

(€'000)	Note (*)	1st half 2022	1st half 2023	Variation
Revenue from contracts with customers		3,637,002	4,308,898	671,896
Other income		198,479	227,138	28,659
Total revenue and other income	31	**3,835,481**	**4,536,036**	**700,555**
Operating expenses	32	(3,579,812)	(4,244,097)	(664,285)
Gross operating profit (EBITDA)		**255,669**	**291,939**	**36,270**
Gross operating profit (EBITDA) margin %		*6.7%*	*6.4%*	
Net impairment losses	32	(53,775)	(526)	53,249
Amortisation, depreciation and provisions	32	(162,503)	(183,060)	(20,557)
Operating profit (EBIT)		**39,391**	**108,353**	**68,962**
R.o.S. %		*1.0%*	*2.4%*	
Financing income (costs) and gains (losses) on equity investments				
Net financing income (costs)	33	49,538	(68,144)	(117,682)
Net losses on equity investments	34	(4,407)	(27,640)	(23,233)
Net financing income (costs) and net losses on equity investments		**45,131**	**(95,784)**	**(140,915)**
Profit before tax (EBT)		**84,522**	**12,569**	**(71,953)**
Income taxes	35	(51,505)	(40,651)	10,854
Profit (loss) from continuing operations		**33,017**	**(28,082)**	**(61,099)**
Loss from discontinued operations	19	(14,765)	(620)	14,145
Profit (loss) before non-controlling interests		**18,252**	**(28,702)**	**(46,954)**
Non-controlling interests		(23,823)	(4,352)	19,471
Loss for the period attributable to the owners of the parent		**(5,571)**	**(33,054)**	**(27,483)**

(*) The note numbers refer to the notes to the condensed interim consolidated financial statements where the items are analysed in detail.

Revenue

Revenue for the period amounts to €4,536.0 million (€3,835.5 million), including €2,643.1 million earned abroad (€2,170.3 million), €1,328.9 million in Italy (€1,050.6 million) and €564.1 million in the US (€614.5 million).

Operating expenses

The operating expenses reflect the production trends and, specifically, progress on the large projects in Italy and, more generally, the countries where the Group has a stronger presence (Australia, the United States, Saudi Arabia, Ethiopia and Romania).

Operating profit

The operating profit amounts to €108.4 million compared to a profit of €39.4 million for the corresponding period of the previous year.

Net impairment losses amount to €0.5 million. The balance of €53.8 million for the first half of 2022 included the impairment losses of €52.3 million recognised on trade receivables for activities performed in Ukraine.

Amortisation, depreciation and provisions of €183.1 million (€162.5 million) comprise:

- depreciation of property, plant and equipment of €102.0 million (€77.9 million);
- depreciation of right-of-use assets of €29.9 million (€39.4 million);
- amortisation of contract costs and intangible assets of €49.5 million (€55.4 million), including €33.6 million (€36.9 million) on the contract acquisition costs recognised as a result of the PPA procedure for the former Astaldi;
- accruals to provisions for risks for a net €1.6 million compared to net utilisations of €10.2 million for the first half of 2022.

Financing income (costs) and gains (losses) on equity investments

The Group recognised net financing costs of €68.1 million (net financing income of €49.5 million).

The item comprises:

- financial expense of €110.7 million (€88.9 million);
- financial income of €32.3 million (€66.7 million);
- net exchange gains of €10.2 million (€71.7 million).

The €21.8 million increase in financial expense over the first half of 2022 is mostly due to the higher cost of debt as a result of the performance of the benchmark rates.

Financial income was higher in the first half of 2022 due to the recognition in that period of prior year gains from the discharging of debts of €18.0 million owed by the subsidiary Afragola FS S.C.r.l. and interest of €11.0 million collected after settlement of the dispute with the customer for Lot 4 of the Orastie- Sibiu Motorway in Romania.

Net exchange gains of €10.2 million mostly relate to the Euro's performance against the Ethiopian birr and the Nigerian naira. This item had benefited from the US dollar's strong appreciation against the Euro in the first half of 2022.

Net losses on equity investments amount to €27.6 million (€4.4 million) and mostly relate to the associate Grupo Unidos Por el Canal S.A..

Income taxes

The income tax expense for the period is €40.7 million (€51.5 million).

Loss from discontinued operations

The loss from discontinued operations amounts to €0.6 million.

Non-controlling interests

The profit attributable to non-controlling interests is €4.4 million compared to €23.8 million for the first half of 2022.

Loss for the period attributable to the owners of the parent

As a result of the above, the loss for the period attributable to the owners of the parent comes to €33 million compared to a loss of €5.6 million for the corresponding period of 2022.

The Group's financial position

The following table shows the Group's reclassified IFRS statement of financial position:

Table 2- Reclassified statement of financial position

(€'000)	Note (*)	31 December 2022	30 June 2023	Variation
Non-current assets	7.1-7.2-7.3-9	1,976,156	2,024,610	48,454
Goodwill	8	82,884	81,498	(1,386)
Net non-current assets held for sale	19	849	7,540	6,691
Provisions for risks	26	(198,879)	(196,612)	2,267
Post-employment benefits and employee benefits	25	(52,606)	(52,774)	(168)
Net tax assets	11-16-28	437,449	518,602	81,153
- Inventories	12	248,809	261,933	13,124
- Contract assets	13	3,199,971	3,955,849	755,878
- Contract liabilities	13	(3,311,689)	(4,642,191)	(1,330,502)
- Trade receivables (**)	14	2,882,877	3,326,614	443,737
- Trade payables (**)	27	(3,891,729)	(4,268,499)	(376,770)
- Other current assets	17	916,445	944,870	28,425
- Other current liabilities	29	(620,648)	(673,958)	(53,310)
Net working capital		(575,964)	(1,095,382)	(519,418)
Net invested capital		**1,669,889**	**1,287,482**	**(382,407)**
Equity attributable to the owners of the parent		**1,578,709**	**1,402,241**	**(176,468)**
Non-controlling interests		356,365	323,394	(32,971)
Equity	20	**1,935,074**	**1,725,635**	**(209,439)**
Net financial position		**(265,185)**	**(438,153)**	**(172,968)**
Total financial resources		**1,669,889**	**1,287,482**	**(382,407)**

(*) The note numbers refer to the notes to the condensed interim consolidated financial statements where the items are analysed in detail.

(**) This item shows trade receivables of €0.1 million classified in net financial position and related to the Group's net amounts due from/to consortia and consortium companies (SPEs) operating under a cost recharging system and not included in the consolidation scope. The balance reflects the Group's share of cash and cash equivalents or debt of the SPEs.
The Group's exposure to the SPEs was shown under "Trade receivables" for €3.2 million at 31 December 2022.

Net invested capital

This item decreased by €382.4 million on the previous year end to €1,287.5 million at 30 June 2023. The main changes are due to the factors listed below.

Non-current assets

Non-current assets decreased slightly by €48.5 million. They may be analysed as follows:

(€'000)	31 December 2022	30 June 2023	Variation
Property, plant and equipment	710,267	728,755	18,488
Right-of-use assets	113,541	126,023	12,482
Intangible assets	373,974	412,261	38,287
Equity investments	778,374	757,571	(20,803)
Total non-current assets	**1,976,156**	**2,024,610**	**48,454**

Property, plant and equipment increased by €18.5 million, chiefly due to the investments made for the ongoing projects in Australia (Snowy 2.0) and France (TELT Lot 2) and by Lane Group, net of amortisation recognised in the six months.

Right-of-use assets amount to €126.0 million, showing an increase of €12.5 million principally due to the Group's acquisition of the Clough assets in Australia and investments made by Lane Group, partly offset by depreciation.

Intangible assets show a net increase of €38.3 million, as a result of the amortisation of €49.5 million, of which €33.6 million related to the former Astaldi's EPC order backlog, and the effects of the acquisition of the Clough assets in Australia.

The net decrease of €20.8 million in equity investments is chiefly due to the equity-accounting of the investment in the associate Grupo Unidos por el Canal S.A. and the capital contributions to the Lane Group joint ventures.

Provisions for risks

These provisions of €196.6 million decreased by €2.3 million over the 31 December 2022 balance of €198.8 million.

Net tax assets

The following table analyses the item:

(€'000)	31 December 2022	30 June 2023	Variation
Deferred tax assets	346,289	372,724	26,435
Deferred tax liabilities	(58,060)	(78,992)	(20,932)
Net deferred tax assets	**288,229**	**293,732**	**5,503**
Current tax assets	90,499	84,824	(5,675)
Current tax liabilities	(85,334)	(93,636)	(8,302)
Net current tax assets (liabilities)	**5,165**	**(8,812)**	**(13,977)**
Other current tax assets	234,236	311,900	77,664
Other current tax liabilities	(90,181)	(78,218)	11,963
Net other current tax assets	**144,055**	**233,682**	**89,627**
Net tax assets	**437,449**	**518,602**	**81,153**

Net working capital

Net working capital amounts to a negative €1,095.4 million at the reporting date compared to a negative €576.0 million at 31 December 2022.

The main changes in the individual items making up net working capital are summarised below:

- trade receivables increased by €443.7 million, of which €210.9 million mostly for the recently-awarded railway contracts in Italy (the Palermo- Catania- Messina line, the Trento rail bypass and the Salerno- Reggio Calabria line), which is offset by a rise in liabilities to the Group's consortium partners for the same contracts. The remainder of the increase (€232.8 million) relates to Italian contracts (€171.6 million) and foreign contracts (€61.2 million; mostly in Europe, the Middle East and Oceania). The €22.1 million increase in Oceania is due to the acquisition of the Clough assets;

- trade payables increased by €376.8 million as follows: €186.3 million in Italy (down €24.6 million net of the liabilities due to the above-mentioned consortium partners) and €190.5 million abroad (mostly in Europe, the Middle East and Oceania). The €30.2 million increase in Oceania is due to the acquisition of the Clough assets and liabilities;

- contract assets and liabilities amount to €3,955.8 million (€3,200.0 million) and €4,642.2 million (€3,311.7 million), respectively. The variation in this item led to a €569.8 million reduction in working capital, thanks also to the Group's considerable success in obtaining new contracts, confirming its competitive edge;

- other current assets and liabilities come to €944.9 million (€916.4 million) and €674.0 million (€620.6 million), respectively.

Net financial position

Table 3- Net financial position of Webuild Group

The following table shows the Group's net financial position at 30 June 2023 and 31 December 2022:

(€'000)	Note (*)	31 December 2022	30 June 2023	Variation
Non-current financial assets	10	518,439	513,551	(4,888)
Current financial assets	15	439,355	479,861	40,506
Cash and cash equivalents	18	1,921,177	2,114,390	193,213
Total cash and cash equivalents and other financial assets		**2,878,971**	**3,107,802**	**228,831**
Bank and other loans and borrowings	21	(276,267)	(225,224)	51,043
Bonds	22	(1,886,549)	(1,888,246)	(1,697)
Lease liabilities	23	(68,829)	(79,635)	(10,806)
Total non-current indebtedness		**(2,231,645)**	**(2,193,105)**	**38,540**
Current portion of bank loans and borrowings and current account facilities	21	(297,419)	(359,514)	(62,095)
Current portion of bonds	22	(18,506)	(47,813)	(29,307)
Current portion of lease liabilities	23	(71,721)	(70,792)	929
Total current indebtedness		**(387,646)**	**(478,119)**	**(90,473)**
Derivative assets	10-15	2,276	1,572	(704)
Derivative liabilities	21	-	(116)	(116)
Net financial position with unconsolidated SPEs (**)		3,229	119	(3,110)
Net other financial assets		**5,505**	**1,575**	**(3,930)**
Net financial position- continuing operations		**265,185**	**438,153**	**172,968**
Net financial position- discontinued operations	19	2,097	7,322	5,225
Net financial position including discontinued operations		**267,282**	**445,475**	**178,193**

(*) The note numbers refer to the notes to the condensed interim consolidated financial statements where the items are analysed in detail.

(**) This item shows the Group's net amounts due from/to unconsolidated consortia and consortium companies operating under a cost recharging system. The balance reflects the Group's share of cash and cash equivalents or debt of the SPEs. The items making up these balances are shown under trade receivables and payables, respectively, in the condensed interim consolidated financial statements.

The Group's net financial position - continuing operations amounts to €438.2 million, up by €173.0 million on 31 December 2022 (net financial position of €265.2 million) and by a very significant €835.1 million on 30 June 2022 (net financial indebtedness of €397 million).

The results achieved during the period are due to the positive performance of the Group's operations and the reduction in working capital. Gross indebtedness increased slightly by €51.9 million to €2,671.2 million at 30 June 2023 compared to €2,619.3 million at 31 December 2022 and decreased by €103.9 million compared to €2,775.2 million at 30 June 2022.

The debt/equity ratio (based on the net financial position - continuing operations) is -0.25 at group level at the reporting date compared to -0.14 at 31 December 2022.

Webuild has given guarantees of €103.4 million in favour of unconsolidated group companies securing bank loans.

Reference should be made to note 24 to the condensed interim consolidated financial statements for the calculation of the Group's net financial position in accordance with the ESMA Guidelines of 4 March 2021 and the related reconciliation with the figures shown in table 3 above.

Alternative performance indicators

As required by Consob communication no. 0092543 of 3 December 2015, details of the performance indicators used in this report and in the Group's institutional communications are given below.

Financial indicators:

Debt/equity ratio: this ratio shows net financial position as the numerator and equity as the denominator. The items making up the financial position are presented in a specific table in the notes to the condensed interim consolidated financial statements. The equity items are those included in the relevant section of the statement of financial position. For consolidation purposes, equity used for this ratio also includes that attributable to non-controlling interests.

Debt indicators:

Liquidity and other financial assets is the sum of the following items:

a. Current and non-current financial assets;

b. Cash and cash equivalents.

Short and medium to long-term debt is the sum of the following items:

a. Current account facilities and other loans;

b. Bonds;

c. Lease liabilities.

Other financial assets and liabilities is the sum of the following items:

a. Derivatives;

b. The Group's net amounts due from/to consortia and consortium companies operating under a cost recharging system and not included in the consolidation scope.

Performance indicators:

1. **Gross operating profit**: this indicator shows the sum of the following items included in the statement of profit or loss:

   a. Total revenue;

   b. Total costs, less amortisation, depreciation, impairment losses and provisions.

   This can also be shown as the ratio of gross operating profit to total revenue.

2. **Operating profit**: the operating profit given in the statement of profit or loss, being the sum of total revenue and total costs.

3. **Return on sales or R.o.S.**: given as a percentage, shows the ratio of operating profit (as calculated above) to total revenue.

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Disclosure on the adjusted figures

The Group monitors the key figures of Lane Group adjusting the IFRS figures prepared for consolidation purposes to reflect the results of the joint ventures not controlled by Lane, presented for management purposes on a proportionate basis. These figures ("Non-subsidiary joint ventures") show the status of contracts managed directly by Lane Group or through non-controlling investments in joint ventures.

Moreover, profit or loss items are considered to be adjusting factors, if they are material and when:

a) they arise from events or transactions that do not take place frequently in the normal course of business;

b) they arise from events or transactions that are not representative of the Group's normal business.

For management purposes, the IFRS figures have been adjusted to reflect the following adjusting effects:

reclassified statement of profit or loss for the first half of 2022:

- elimination of the accounting effects of the amortisation of the intangible assets arising from the PPA procedure for the acquisition of control of Astaldi Group;
- elimination of the accounting effects of the impairment losses recognised on the trade receivables due from the Ukrainian customer Ukravtodor after performing the impairment test.

reclassified statement of profit or loss for the first half of 2023:

- elimination of the accounting effects of the amortisation of the intangible assets arising from the PPA procedure for the acquisition of control of Astaldi Group;
- adjustment of the results of the associate Grupo Unidos por el Canal S.A., mainly to reflect the award issued by the ICC (more information is available in the "Main risk factors and uncertainties" section of this report and note 34 "Net losses on equity investments" to the condensed interim consolidated financial statements).

The effects of these adjustments are presented in the "Financial highlights" section of this report.

Events after the reporting period

Contact signed for the Vicenza crossing

On 27 July 2023, Webuild Group and RFI signed a €1.82 billion contract to begin the executive designs and work on the first construction lot for a crossing at the Vicenza junction. The lot is part of the high-speed/capacity Verona - Padua railway line, which will contribute to modernising transport in Northern Italy and for which Webuild is already developing other sections. The new section will stretch approximately 6.2 km from the Altavilla Vicentina municipality to Vicenza Railway Station. The contract includes the replacement of 4.8 km of existing track.

Outlook

Given the current projects under development and the very satisfactory order intake, Webuild expects to achieve its objectives for 2023 and namely:

- book to bill > 1.1x;
- revenue: €9.0- €9.5 billion;
- EBITDA: €720- €760 million,
- maintaining a positive net financial position (net cash).

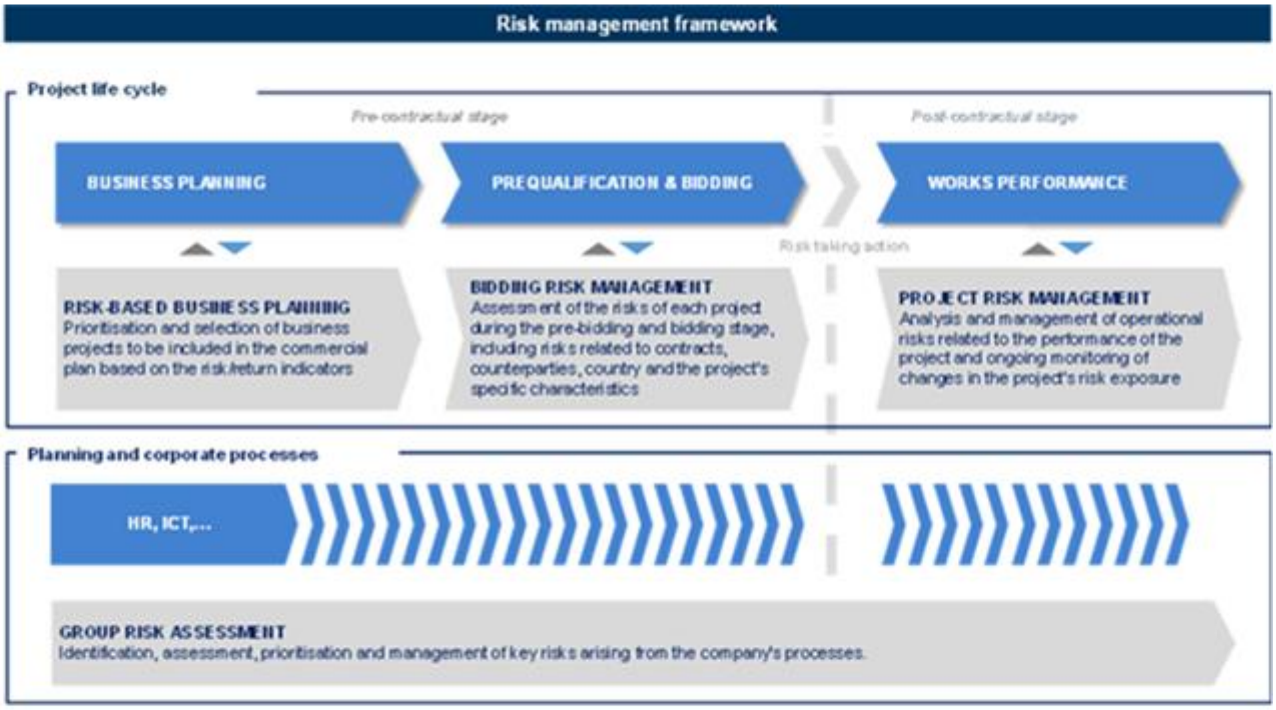
Directors’ report-
Part II

Risk management system

The context in which the Group currently operates, characterised by rapid macroeconomic changes, financial markets' instability and progressive developments of legal and regulatory compliance regulations, including as a result of the developments of the war in Ukraine, and affected by megatrends such as climate change and resource scarcity in the medium to long-term, requires clear strategies and effective management processes aimed at preserving and maximising value.

As part of its internal controls and risk management system, the Group has a risk management framework, which it keeps up-to-date, is an integral part of internal procedures and is extended to all operating companies to identify, assess, manage and monitor risks in accordance with industry best practices. It designed and implemented its risk management framework on the basis of the standards and guidelines of ISO 31000.

Development, implementation and circulation of the risk management framework (presented in the following chart) is designed to assist senior management with strategic and commercial planning and operations through the comprehensive, in-depth analysis of relevant factors for the Group's business, the local contexts in which it operates and the particular operating requirements of its individual contracts, facilitating the identification and monitoring of related risks, be they economic, financial or non-financial (sustainability or ESG risks).



In 2022, the outbreak of war between Russia and Ukraine worsened the macroeconomic context in which the Group and its supply chain operate, heightening the inflationary effect of raw material and commodity prices already seen during the Covid-19 pandemic. During the first six months of 2023, raw material and commodity prices gradually stabilised. The Group continued its risk management activities focused on the identification and handling of the repercussions of the war between Russia and Ukraine and the risks and opportunities related to climate change and the energy transition.

With respect to the volatile commodity prices and in line with its approach adopted in 2021-2022, the risk management unit and other competent units carried out specific checks and monitored the trends of construction material prices to keep senior management informed and in a position to promptly define risk mitigation strategies. This approach allowed the Group to apply promptly in the first half of 2023 for compensation for the hikes in the more significant construction material prices for its Italian contracts in accordance with Law no. 197 of 29 December 2022 (the 2023 budget act), which confirmed the measures introduced by Decree law no. 50/2022 (the Aiuti decree) for contracts in place and extended them for the whole of 2023.

The Group also continued its project to implement a structured business continuity management system in compliance with ISO 22301, designed to develop procedures to manage critical events that could undermine its operations. This includes the definition and application of a suitable business impact analysis methodology using a procedure for the introduction of proactive, flexible and efficient response strategies.

These procedures and the Group's ongoing development of the frameworks allow it to promptly and carefully analyse its risk profile and identify how to manage those more relevant risk events with tailored measures.

Business risks

External risks are those that may compromise the Group's achievement of its objectives, i.e. all events whose occurrence is not influenced by corporate decisions. This category includes all risks arising from a country's macroeconomic and socio-political dynamics, global megatrends (climate change, resource scarcity, urbanisation and commodity prices), sector trends and competitive scenario, as well as from industry-specific technological innovation and regulatory developments and the projects' long-term nature.

Given the nature of such risks, the Group must rely on its forecasting and managing abilities. Specifically, Webuild integrates risk vision in its strategic and business planning processes through the definition of commercial and risk guidelines and the development of a process for the prioritisation and selection of initiatives to be pursued, also and above all based on the assessment of relevant risks linked to the country and/or sector in which operations are planned, rather than to the counterparty. Risk control is also ensured by monitoring the progress of strategic objectives, including in terms of composition and diversification of the portfolio and its development over time in terms of risk profile.

Strategic risks

These risks arise from strategic, business and organisational decisions that may adversely impact the Group's performance and ultimately result in the non-achievement of strategic objectives. They include risks resulting from the choice of business or organisational models through which the Group intends to operate, those arising from M&A transactions, or the ineffective management of the order portfolio or the relationships with key counterparties (customers, partners, suppliers, sub-contractors, etc.).

Webuild considers risk a key element for the preliminary assessment of decisions and strategic choices, so much so that it provided for integration of the strategy definition and development process with that for the identification, measurement and management of risks. The choices pertaining to the adoption of a business or organisational model, the assessment about the opportunity of proceeding with an extraordinary transaction or establishing a partnership are subject to preliminary analysis and evaluation of the related risks and opportunities, with the concurrent identification of risk management methods and strategies to be promptly activated should such risks arise.

Financial risks

Risks linked to the availability of group resources, depending on the management of receivables and cash and cash equivalents and/or the volatility of market variables such as interest and exchange rates, are included in this category.

Specifically, liquidity management has the objective of ensuring the financial autonomy of contracts in progress, taking into account the structure of consortia and special purpose entities, which can tie the availability of financial resources to the execution of the relevant projects. Moreover, liquidity management takes into account restrictions to currency transfers imposed by the legislation of some countries.

Webuild engages constantly in developing effective financial planning tools to allow, inter alia, prudent management of cash, debt exposure and guarantee commitments based on various risk scenarios. It evaluates specific risk areas such as the counterparty's credit rating and raw materials price volatility.

Legal and compliance risks

This risk class includes risks for the management of legal issues and/or risks related to compliance with laws and regulations (e.g., taxation, local legislation, etc.) required in order to operate in the sector and/or specific countries and the risks arising from the management of contracts with business partners. Webuild deems that monitoring contractual issues linked to contract management and, particularly, the relationship with relevant counterparties, is fundamental. This also includes any internal and external fraud risks, and, more generally, the compliance with procedures and policies established by the Group to govern its operations.

With respect to the aforementioned factors, Webuild implements a regulatory risk monitoring and management policy in order to minimise the impact of such risk, through a multi-level control system that entails collaborative and ongoing liaison with relevant counterparties and business units affected by regulatory developments and the comprehensive assessment of any potential impacts.

Operational risks

These are risks that could jeopardize value creation and are due to an inefficient and/or ineffective management of the Group's core business, particularly those linked to bid management and actual execution of contracts. The various risk areas that fall into this class include bid design and planning, logistics and inventory management, as well as those linked to the management of IT systems, planning and reporting, effective supply chain and personnel management, including with respect to health and safety, the environment, human rights and local communities.

The Group monitors operational risks starting from the bidding stage for each project to evaluate its potential risks and benefits and possible order backlog concentration. As part of a wider process, Webuild prepares a pre-bid risk assessment aimed at identifying potential risks and impacts linked to the project, as well as the necessary mitigation and/or contingency measures to counter them. The risk surveillance activity is updated constantly during the tender stage and is then monitored and updated during contract execution in order to promptly detect the risk of changes in its risk exposure and swiftly implement adequate remediation measures.

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As part of the aforementioned framework for the identification and classification of risks applicable to group operations, Webuild has adopted a cross-functional approach for the analysis of risk dimensions that are considered more relevant due to the specific features of its business. These dimensions include various risk areas identified and belonging to Webuild's risk universe as described later.

Country risk

The Group pursues its objectives by operating almost everywhere in the world, leveraging business opportunities in different countries and hence exposing itself to the risks resulting from the characteristics and conditions dictated by them, such as the political, economic and social scenario, local regulations, taxation and operational complexity and, last but not least, work and safety conditions.

Being aware of and constantly monitoring country risk through specific indicators enables the Group first and foremost to define informed commercial strategies, as well as to gain an optimal understanding of the operating scenario and, therefore, adopt precautions and/or implement actions aimed at removing barriers and mitigating potential threats.

Counterparty risk

Management of counterparty risk requires identification of potential criticalities linked to relationships with the Group's customers, shareholders, subcontractors and suppliers, so as to create a comprehensive overview of the features of the partners with which Webuild may start or continue to collaborate. For each of the above counterparty types, risk factors linked to financial and operational reliability apply to a different extent, as does the potential strategic role of a partnership for a specific business initiative, as well as all legal and compliance aspects and those related to the applicable standards (ethics, quality, health and safety, environment, human rights) that safeguard the lawfulness of the relationship. The group risk officer coordinates and supervises a counterparty analysis for each new project, involving all the competent departments, which is updated during the contract's performance. This analysis allows the more precise identification and management of the critical issues that could arise during the contract's operational stages and more accurate planning of the possible mitigation actions.

Contract risk

The contract dimension is key for an effective analysis of all risks linked to the Group's core business, since it is considered to define tools capable of identifying and monitoring so-called contract risks starting from the bidding stage in a risk prevention perspective, as part of an in-depth analysis of the risks and opportunities linked to the pursuit of a specific activity. Another fundamental aspect is the ongoing tracking of risks once they have been consciously taken on by management, managing the resulting risk exposure in a proactive, dynamic way, as well as its ongoing development over time.

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The analysis of key risk dimensions and the related risk areas has the aim of providing management with a two-sided overview: a detailed one (i.e., at individual country, counterparty and contract level) and a portfolio one (for assessment of the overall exposure to such dimension), in order to assess the Group's risk profile as well as its compliance with the exposure limits imposed by its risk management capacity. Moreover, the portfolio overview enables the performance of systematic assessments about the potential development of the risk profile upon the occurrence of certain events and/or specific choices, through the use of dedicated risk management tools.

The risk management framework, as outlined above and subject to further and future developments, has been designed to support decision-making and operational processes at every stage of the management of projects, in order to reduce the possibility that certain events could compromise the Group's normal business operations or attainment of its defined strategic objectives: to this end, it is integrated in strategic, business planning, bidding and operating processes to allow the ongoing monitoring of the Group's risk profile and the impact that possible strategic and operating decisions could have on its risk profile, also considering its risk appetite.

Russia- Ukraine crisis

With respect to the Russia- Ukraine crisis that broke out in February 2022, the Group does not currently operate in either country. The indirect effect of raw materials prices seen from the first half of 2022 is currently in a stationary and stabilising phase.

The Group's approach to its supply chain is to strengthen the previously-implemented mitigation measures such as the identification of alternative procurement solutions and the urgent transfers of plant and equipment from one work site to another. It also closely observes the market in order to adapt its investment strategies to contain prices.

In addition, most of the foreign contracts are drawn up in accordance with the international standards of the International Federation of Consulting Engineers (FIDIC), which provide for risk mitigation clauses including risks related to changes in the cost of works due to increases in raw materials prices.

Italian Law no. 197 of 29 December 2022 (the 2023 budget act), effective from 1 January 2023, confirmed the measures to update price lists and revise the prices of contract work in progress in order to tackle the exceptional hikes in prices expected for 2023.

The Group continues to monitor developments although it is impossible to predict how the war will evolve or its effects on the markets and global economy. Given this uncertain situation, which is due to external factors outside Webuild's control, there is a risk that the Group's future results may differ from those currently expected.

ESG risk management

Webuild's Sustainability Strategy is embedded in the Group's business model and strategy and is underpinned by two key pillars: its contribution to global challenges and its unceasing commitment to acting responsibly.

The Group's commitment to reaching its sustainable development targets as per the SDGs defined by the UN is summarised in its 2021-2023 ESG Plan whose priorities include the fight against climate change and promotion of the circular economy (Planet), the protection and enhancement of its people (People), and continuous improvement leveraging innovation and digitalisation (Progress)[3].

Transition to a low-carbon economy that is more environmentally sustainable can create risks for companies due to the possible acceleration in the tightening-up of environmental and climate policies, as well as developments in technologies and stakeholders' increasing focus on environmental issues. Moreover, the intensification of climate change phenomena and their impact on the main areas of the value chain are one of the greatest challenges that companies face in the short and medium to long term.

In order to identify and adopt the necessary solutions and tools to (i) minimise the impact of physical risks and (ii) pre-empt transition risks arising on the transition to a low-carbon economy, Webuild has deemed it appropriate to continue to include ESG risks in the regular group risk assessment performed by the risk management department.

Webuild has established a procedure to assess the magnitude of the risks most pertinent to it with a dynamic risk model, designed for continuous fine-tuning and alignment with changes in the reference market and to the guidelines of the market regulators. This procedure has already confirmed the essentiality of sustainability and the transversal nature of the topics identified by the materiality analysis as per the new GRI Universal Standards 2021.

The Group's mitigation measures are summarised in the "Main physical and transition risks" section of the 2022 Consolidated Non-financial Statement. The budgets for the Group's contracts reflect its commitments with steady investments made to ensure their greater efficiency.

[3] More information is available in the "Sustainability Strategy" section of the 2022 Consolidated Non-financial Statement.

The most significant risks and opportunities tied to climate change and the energy transition that could affect the Group's cash flows, financial position and financial performance include the definition of climate strategies, the decarbonisation roadmap, the issue of sustainability-linked bonds and the 2023-2025 long-term variable incentive (LTI) plan which includes dedicated sustainability targets.

Main risk factors and uncertainties

In addition to that set out in the “Business risk management” section above, the following specific situations linked to major outstanding disputes, country risk exposure and situations characterised by risk and/or uncertainty profiles at 30 June 2023 should be added to the risk universe that may potentially impact on operations.

Civil litigation

USW Campania projects

The USW Campania issue comprises various proceedings in different jurisdictions, some of which have been described in extensive detail in previous years and have been resolved in the Group’s favour, while others are pending at different court levels. The main aspects of the key civil, administrative and criminal proceedings are described below.

Civil proceedings

1. In May 2005, the government commissioner filed a motion requesting compensation from Fibe S.p.A. (“Fibe”) and FISIA Ambiente S.p.A. (“Fisia Ambiente”) for alleged damage of €43 million. During the hearing, the commissioner increased its claims to €700 million, further to the additional claim for damage to its reputation, calculated to be approximately €1,000 million. The companies appeared before the court and, in addition to disputing the claims made by the government commissioner, filed a counterclaim requesting compensation for damage due to contract default and sundry expenses for over €650 million, plus a further claim for reputation damage quantified at €1.5 billion. In the same proceeding, the banks that issued Fibe and Fibe Campania S.p.A.’s (“Fibe Campania”) performance bonds to the government commissioner also requested the commissioner’s claim be dismissed and, in any case, to be held harmless by Webuild, which appeared before the court and disputed the banks’ requests. In ruling no. 4253/2011, the judge declared their lack of jurisdiction referring the case to the administrative judge. The attorney general filed an appeal which was rejected on 14 February 2019 and the first level ruling was upheld. The attorney general has appealed to the Supreme Court.
2. On 30 November 2015, the Office of the Prime Minister received a new claim form served by both Fibe and other group companies involved in various ways in the activities performed in Campania for the waste disposal service, containing claims for the damage suffered as a result of termination of the contracts in 2005.
   The total amount claimed is €2,429 million. Considering that some requests are already included in other proceedings, the net amount is €2,258 million. The Office of the Prime Minister filed a counterclaim for €845 million for reasons already included in other proceedings. The court appointed an expert to appraise the subordinated claim filed by Fibe that prepared two alternative appraisals of the amount due to Fibe of approximately €56 million or approximately €114 million. The competent judge handed down the ruling on 25 October 2019, finding that Fibe was due approximately €114 million and the Office of the Prime Minister approximately €80 million. After offsetting the two amounts, the Office of the Prime Minister was ordered to pay Fibe €34 million plus interest accruing from 4 December 2015. Both Fibe and the Office of the Prime Minister have filed separate appeals. In the meantime, the amount plus interest was collected on 20 July 2022 as part of the enforcement proceeding which is discussed later in this report (in the administrative litigation section).
3. There is another proceeding commenced by the Office of the Prime Minister for the return of the advance of €52 million paid for the construction of the waste-to-energy plants (“WtE plants”). Fibe has claimed that the receivables due from the Office of the Prime Minister, mostly for work performed on its behalf and for the fees due to Fibe, would offset this advance. The first level hearing ended with ruling no. 4658/2019 in which the Naples Court only allowed part of Fibe’s receivables (the fees already collected by the Office of the Prime Minister) for offsetting purposes, ordering the company to return the difference between the advance collected and the receivables allowed for offsetting, with the result that Fibe owed roughly €10

million, plus interest, to the Office of the Prime Minister. This ruling is contrary to the report prepared by the court-appointed expert which found that Fibe was due the entire amount of its receivables. Fibe has filed its appeal. The above amount (€10 million) could be offset against Fibe's larger receivable as per the ruling described in the section on the administrative litigation - the USW Campania projects below.

Given the complexity and range of the different disputes, the Group cannot exclude that events may arise in the future that cannot currently be foreseen which might require changes to these assessments.

Panama Canal extension project

Certain critical issues arose during the first stage of full-scale production on the project to expand the Panama Canal which, due to their specific characteristics and the materiality of the work to which they relate, made it necessary to significantly negatively revise the estimates made during the early phases of the project. The most critical issues related, inter alia, to the geological characteristics of the excavation areas, specifically with respect to the raw materials required to produce concrete and the processing of such raw materials during normal production activities. Additional problems arose due to the adoption by the customer of operational and management procedures substantially different from those contractually agreed, specifically with regard to the processes for the approval of technical and design solutions suggested by the contractor. These facts, which were the subject of specific disclosures in previous reports published by the Group, continued in 2013 and 2014. Faced with the customer's persistent unwillingness to reasonably implement appropriate, contractually provided for measures to manage such disputes, the contractor - and thus the original contracting partners - was forced to acknowledge the resulting impossibility to continue the construction activities needed to complete the project at its full and exclusive risk by undertaking the relevant full financial burden without any guarantee of the commencement of objective negotiations with the counterparty. In this context, at the end of 2013, formal notice was sent to the customer to inform it of the intention to immediately suspend work if the customer refused once again to address this dispute in accordance with a contractual approach based on good faith and the willingness of all parties to reach a reasonable agreement.

Negotiations between the parties, supported by the respective consultants and legal experts, were carried out through February 2014 and, on 13 March 2014, an agreement was signed. The essential elements of the agreement provided that the contractor would resume works and functionally complete them by 31 December 2015, while the customer and contracting companies agreed to provide financial support for the works to be finished up to a maximum of about €1.3 billion. The customer met its obligation by granting a moratorium on the refunding of already disbursed contract advances totalling €729 million and disbursing additional advances amounting to approximately €91 million. The group of contracting companies met their obligation by directly disbursing €91 million and additional financial resources, through the conversion into cash of existing contractual guarantees totalling €360 million.

While the 13 March 2014 agreement provided for financial support to complete the Canal, claims were made by the contractor Grupo Unidos por el Canal S.A. ("GUPC") to the customer during the contract's execution.

After the pre-litigation stage before the Dispute Adjudication Board ("DAB") to discuss the claims as provided for contractually, there are a number of separate arbitration hearings ongoing before the International Chamber of Commerce ("ICC") in Miami, Florida between GUPC (with its European partners Sacyr, Webuild (previously Salini Impregilo) and Jan De Nul) and the Panama Canal Authority ("PCA") as described below:

1. arbitration about the DAB's decisions on the claims presented by GUPC about the inadequate quality of the basalt compared to the quality guaranteed by PCA and the lengthy delays caused by PCA to approve the design formula for the concrete mix. The DAB had found that GUPC was due USD265.3 million, which it collected in full. After the proceeding confirming the arbitration tribunal's competence to rule on the damages incurred by the individual consortium members, the tribunal issued a partial award at the end of September 2020, accepting some of GUPC's claims for USD20.7 million as well as some claims for which the parties have agreed the amounts. PCA also paid GUPC an additional approximate USD6.1 million. The arbitration tribunal defined the arbitration costs with a final award as USD33.4 million (USD13.5 million for Webuild). At the end of November 2020, GUPC's legal advisors filed a petition for the cancellation of the partial award with the Miami Court (Florida, USA). In February 2021, after the arbitration tribunal's final

award, GUPC paid USD272 million to settle its liabilities with the customer, using the financial support provided by its European partners (Webuild's share: USD110 million). At the end of April 2021, a petition for cancellation of the final award was filed. On 18 November 2021, the arbitration tribunal rejected GUPC's petition and confirmed the arbitration award; GUPC has requested its legal advisors to file an appeal;

2. arbitration about the extra costs incurred by GUPC due to certain unjustified conditions imposed by PCA for the design of the lock gates and other claims about labour costs. The arbitration tribunal issued an award on 17 May 2023 unanimously establishing that GUPC is entitled to receive an additional USD34.9 million for the claims related to the labour costs, in addition to the amount previously assigned by the DAB. However, the arbitration tribunal did not accept GUPC's application about the construction of the lock gates which it had to build for reasons it did not deem were attributable to it and referred other issues to another arbitration tribunal. This decision was taken by majority vote by the tribunal members while one arbitrator issued a dissenting opinion;
3. arbitration commenced at the end of 2016 involving the sundry claims mentioned in the completion certification; the arbitration tribunal has already been set up and GUPC presented its first brief in October 2021.

On 11 March 2020, Webuild filed its arbitration application with the International Centre for Settlement of Investment Disputes (ICSID) against Panama. It has claimed damage for the Central American country's repeated violations of the bilateral investment treaty agreed by its government with the Italian government in 2009 to promote and protect investments. The arbitration tribunal was set up on 4 December 2020. The proceeding is still at an initial stage.

Already in previous years, the Group applied a valuation approach to the project on the basis of which significant losses to complete the contract were recognised, offset in part by the corresponding recognition of the additional consideration claimed from the customer and determined based on the expectation that recognition of such consideration could be reasonably deemed to be highly probable based on the opinions expressed by its legal experts and in light of the damages awarded by the DAB.

In the first half of 2023, the estimate of the project's extra costs was updated, as well as the additional consideration claimed from the customer (again with the support of the Group's experts). The Group has reflected this situation in its condensed interim consolidated financial statements.

Considering the uncertainties linked to the dispute stage, the Group cannot exclude that currently unforeseeable events may arise in the future which could require changes to the assessments made to date.

CAVTOMI Consortium (high-speed/capacity Turin - Milan line)

With respect to the contract for the high-speed/capacity Turin- Milan railway line- Novara- Milan sub-section, the general contractor Fiat S.p.A. (subsequently FCA N.V., "FCA" and now Stellantis N.V., "Stellantis") is required to follow the registered claims of the general subcontractor CAVTOMI Consortium ("CAVTOMI" or the "consortium"), in which Webuild has a share of 96.14%, against the customer Rete Ferroviaria Italiana ("RFI").

Accordingly, in 2008, FCA initiated contractual arbitration proceedings against RFI for the award of damages suffered for delays in the works ascribable to the customer, non-achievement of the early completion bonus also due to the customer and higher consideration. On 9 July 2013, the arbitration tribunal handed down an award in favour of FCA, ordering RFI to pay €187 million (of which €185 million pertaining to CAVTOMI).

RFI appealed against the award before the Rome Appeal Court in 2013 and paid the amount due to FCA, which in turn forwarded the relevant share to CAVTOMI. The ruling of 23 September 2015 of the Rome Appeal Court cancelled a large part of the aforementioned arbitration award. FCA appealed to the Supreme Court and the revocation application is currently pending before it after being rejected by the Appeal Court in October 2019.

Following the Appeal Court's ruling, RFI notified FCA of a writ of enforcement of €175 million and subsequently the two parties reached an agreement whereby FCA (i) paid €66 million and (ii) issued RFI a bank surety of €100 million.

On 2 February 2022, the Supreme Court handed down its ruling rejecting FCA's appeal, based on which Webuild had adjusted the claims' estimated realisable value and the carrying amount of contract assets in its separate financial statements at 31 December 2021, without prejudice to the hearing about the revocation application still pending before the Supreme Court.

In addition, FCA and the consortium have commenced the following actions:

- filing of an appeal by FCA with the Lazio Regional Administrative Court on 11 November 2016 for the claims of €18 million presented during the contract's term and not covered by the previous award of 2013. This proceeding was firstly suspended from the register and then resumed. It is currently pending before the competent administrative judge;
- on 12 October 2017, presentation of a claim form to the Rome Court by FCA for claims made during the contract term and not covered by the previous award for €109 million. With its ruling no. 11976 of 26 July 2022, the Rome Court substantially acknowledged the court-appointed expert's findings and accepted part of FCA's claims ordering RFI to pay €14.2 million, including the monetary revaluation and the legal default interest accruing from the date of publication of the ruling. The ruling also provided for the release of the remaining performance bond of €21 million. Both parties challenged the Rome Court's ruling and Stellantis has collected the amount it was ordered to pay in the meantime before the hearings (which will presumably be reinstated) are held. The consortium has requested Stellantis pay the outstanding amounts due to it;
- on 1 June 2022, Stellantis filed an appeal with the European Court of Human Rights challenging the legitimacy of the Appeal Judge's ruling (confirmed by the Supreme Court) which cancelled the arbitration award after reviewing the merits of the evidence already assessed by the arbitration tribunal and which did not properly reconcile the legitimate interests of the two parties. The European Court of Human Rights declared the appeal inadmissible on 6 October 2022.

Strait of Messina Bridge – Eurolink S.C.p.A.

In March 2006, as lead contractor of the joint venture created for this project (interest of 45%) (subsequently merged into the SPE Eurolink S.C.p.A., "Eurolink"), Impregilo (subsequently Webuild and now Webuild Italia) signed a contract with Stretto di Messina S.p.A. ("SdM") for its engagement as general contractor for the final and executive designs and construction of the Strait of Messina Bridge and related roadway and railway connectors.

SdM and Eurolink signed a rider in September 2009 which covered, inter alia, suspension of the project works carried out since the contract was signed and until that date. As provided for by the rider, the final designs were delivered to the customer and its board of directors approved them on 29 July 2011.

Decree law no. 187 was issued on 2 November 2012 providing for "Urgent measures for the renegotiation of the contracts with Stretto di Messina S.p.A. and for local public transport", after which Eurolink exercised the right to withdraw from the contract as per the contract terms on behalf of all the co-venturers. Eurolink has commenced various legal proceedings in Italy and the EU, arguing that the provisions of the above Decree law are contrary to the Constitution and EU laws and that they damage Eurolink's legally acquired rights under the contract. It has also requested that SdM be ordered to pay the amounts requested by the general contractor due to the termination of the contract. With regard to the actions filed at EU level, in November 2013, the European Commission communicated its decision not to follow up the proceedings, as no treaties were violated, and confirmed this on 7 January 2014, with a communication dismissing the case. As regards the civil action in Italy, Webuild and all the members of Eurolink have jointly and separately asked that SdM be ordered to pay the amounts due, for various reasons, as a result of the termination of the contract (approximately €657 million). The various actions and related rulings have been joined.

On 16 October 2018, the Rome Court rejected the applications filed by the claimants and the counterclaims filed by SdM. Conversely, the Rome Court declared that the customer's termination of the contract with Parsons Transportation Group Inc. ("Parsons"), engaged by SdM for the project management services, was legitimate (referring calculation of the compensation for damage to Parsons to the judgment of the Constitutional Court). As the process is joined to that of Eurolink, Webuild deems that the legal approach which led to the ruling in the latter case is, mutatis mutandis, also applicable to Eurolink.

Eurolink and Webuild filed their appeal against this ruling before the Rome Appeal Court on 28 December 2018.

The parties involved in the appeal hearing presented themselves in court: (i) the Ministry of Infrastructure and the Office of the Prime Minister, without presenting a counter appeal, (ii) SdM presenting a counter appeal, and (iii) Parsons presenting a counter appeal for its part of the proceedings. The ruling has not yet been handed down at the date of preparation of this report.

Eurolink sent formal letters (letters before action) dated 24 December 2020 requesting payment of €60 million as compensation for the costs incurred, the legally-due compensation and the release of the bank surety of €239 million. At the date of preparation of this report, these letters have led solely to the release of the bank surety.

In the meantime, the Constitutional Court found the issue of legitimacy of the Decree law for Parson's position to be inadmissible as the order for its re-examination by the court was insufficiently documented. The Rome Court will now have to review the application and possibly defer it again to the Constitutional Court.

The Constitutional Court's ruling does not affect the Appeal Court's hearing about constitutionality refiled by Eurolink.

Pending the handing down of the ruling, Decree law no. 35 of 31 March 2023 was issued and converted with amendments into Law no. 58 of 26 March 2023 (Urgent measures for the Sicily - Calabria bridge). These measures regulate, inter alia, the recommencement of the work and revival of the expired contract. Negotiations are underway between the parties to define the related arrangements envisaged by the measures to revive the contract and the related decision by Eurolink and its co-venturers to discontinue the legal proceedings.

Given the complexity of the pending proceedings, while the experts assisting Webuild and the general contractor are confident about the positive outcome of the legal actions and recovery of the outstanding assets (mainly contract assets recognised for this project), they cannot exclude that currently unforeseeable events may arise which would require changes to the assessments made to date. Note 13 to the condensed interim consolidated financial statements provides more information about the additional consideration recognised under contract assets and liabilities.

Orastie - Sibiu Motorway

In July 2011, Salini Impregilo (now Webuild) commenced work on the motorway contract to build the Orastie-Sibiu section (Lot 3), which included 22.1 km of two lane motorway in each direction (in addition to the emergency lanes).

The contract was entered into with the Romanian National Road & Highways Company ("CNAIR") and 85% financed with EU structural funds and 15% by the Romanian government.

Progress on the contract has been adversely affected by a number of events outside Webuild's control such as unpredictable vast landslides on approximately 6.6 km of the route.

Despite this, the lot was delivered to the customer and opened to the traffic on 14 November 2014 while additional work made necessary by the landslides was still under completion.

Notwithstanding the first favourable ruling by the DAB and the award of approximately €6 million to Webuild, the customer refused to acknowledge the unpredictable nature of the landslides and to pay the amounts due.

In June 2015, Webuild stopped work due to non-payment of the amounts awarded to it by the DAB.

In September 2015, Webuild presented an application for arbitration and the first partial award of RON83.8 million (€18.2 million) was issued in March 2017 which it subsequently collected.

In January 2016, with works completion at 99.9%, following a number of disputes between the parties, the customer terminated the contract and enforced the contractual guarantees of RON60.5 million (€13.5 million) on 20 April 2016, motivating such unilateral decision as being due to the alleged non-resolution of non-compliances notified by works management. The parent promptly formally contested the contract termination.

With respect to the arbitration proceedings commenced before the Paris International Chamber of Commerce for the delays and additional costs of €57 million, on 17 October 2019, the award was handed down rejecting the Group's requests and awarding damages for delays to the customer of approximately €19 million. The parent has presented an application for the cancellation of the final award to the Romanian courts. On 2 July 2020, the Bucharest Appeal Court cancelled this award and the related suspended enforcement. On 12 September 2020, CNAIR challenged the Appeal Court's decision before the Supreme Court which confirmed cancellation of the award in September 2022. As a result, the Group recommenced arbitration proceedings before the Court of International Commercial Arbitration attached to the Chamber of Commerce and Industry of Romania ("CCIR").

In the meantime, on 17 February 2021, the Bucharest Court confirmed Webuild's obligation to return RON83.8 million collected on the basis of the partial award, seeing that it has been cancelled. In May 2022, Webuild obtained suspension of the enforcement of this amount by CNAIR from the Appeal Court until after the other pending disputes have been settled. CNAIR concurrently arbitrarily offset the amount against other amounts related to the Lugoj Deva project in Romania, which was completely contrary to the existing agreements. Webuild responded by commencing arbitration proceedings before the Paris International Chamber of Commerce claiming the return of the incorrectly offset amounts. At the date of preparation of this report, the proceedings are underway.

On 17 February 2020, the Group filed a new different application for arbitration to the CCIR challenging the validity of CNAIR's enforcement of the performance bond and requesting the return of the related amounts plus damages and interest. The CCIR notified the parties of its final award on 25 February 2021. The sole arbitrator ordered CNAIR to repay RON60.5 million of the performance bond which was unfairly enforced and to reimburse the legal costs and interest as well as the arbitration costs (€0.2 million in total). CNAIR filed an appeal against the award with the Romanian Supreme Court, which rejected it in November 2022, making the award definitive. Despite this, CNAIR included the amount involved in its arbitrary and unlawful offsetting (see above), which is the subject of the ICC arbitration proceedings.

Supported by the opinion of its legal advisors, Webuild is confident that its arguments will be accepted at the end of the dispute.

Unforeseen costs have been incurred and the Group has accordingly presented its request for additional consideration. The costs are included in the measurement of contract assets and liabilities for the part deemed highly probable to be recovered, based also on the opinions of the Group's advisors.

Considering the uncertainties linked to the dispute stage, the Group cannot exclude that currently unforeseeable events may arise in the future which could require changes to the assessments made to date.

Contorno Rodoviario Florianópolis (Brazil)

On 21 September 2016, the Salini Impregilo (now Webuild) and Cigla Constructora Impregilo e Associados S.A. ("CCSIC") joint venture signed a contract with Autopista Litoral Sul S.A. worth €75 million for the construction of a new dual carriageway roughly 30 km in length to reduce the large volume of traffic in the Florianópolis metropolitan region.

The project immediately ran into critical engineering problems due to the damp soil and the area's weather conditions, which the joint venture attempted to resolve by proposing new solutions to the customer (although it was not contractually obliged to do so).

In June 2018, the joint venture presented claims to the customer for higher costs and extension of the contract term. Despite the fact that the negotiations were still ongoing and the related memorandum of understanding was supposed to be signed in the near future, the customer terminated the contract in January 2019.

The joint venture deems that this termination is illegal and contrary to the principle of good faith. Therefore, in 2019, it filed an appeal with the competent local judicial authorities (the Joinville Court) requesting payment of the higher dismantlement costs of €2 million and ratification of the memorandum of understanding, confirmation of the validity of the arbitration clause in such memorandum of understanding and the finding that termination of the contract by the customer was invalid.

In addition, the legal advisors requested the urgent and precautionary suspension of the enforcement of the contractual guarantees.

The Joinville Court granted the judicial blocking of enforcement of the bank guarantee for the advance (€2.3 million) and the insurance performance bond (€7 million) by the customer on a precautionary basis.

Pending the civil trial of 4 October 2019, the joint venture also commenced an international arbitration proceeding (based on the arbitration clause included in the memorandum of understanding) for the claims of €20 million notified before the contract had been terminated.

The customer in turn obtained the suspension of the arbitration proceedings from the Joinville Court, which the joint venture immediately appealed before the Santa Caterina Appeal Court.

In January 2021, the Appeal Court ruled i) to maintain suspension of the enforcement of the guarantees (which the customer has not appealed) and ii) to continue to suspend the arbitration proceedings. The joint venture appealed this ruling before Brazil's Supreme Court (Corte Superior de Justicia) and intends to apply for resumption of the arbitration.

In the meanwhile, the Joinville Court handed down its ruling on 6 July 2021 finding the application filed in 2019 by CCSIC to be groundless, finding the customer's termination of the contract to be legitimate, cancelling the international arbitration proceedings, the freezing of the enforcement of the guarantees and rejecting the appeal to recommence arbitration that had been filed in the third appeal before the Supreme Court.

On 6 August 2021, the joint venture appealed against this ruling before the Santa Caterina Appeal Court. On 10 November 2021, the Court accepted CCSIC's application for the precautionary blocking of the guarantees until a decision has been taken on the merits of the case.

On 29 June 2022, the Appeal Court's ruling confirmed the first level ruling. The joint venture will assess the most appropriate action to take assisted by its legal advisors.

Unforeseen costs have been incurred and the joint venture has accordingly presented its request for additional consideration. The costs are included in the measurement of contract assets and liabilities for the part deemed highly probable to be recovered, based also on the opinions of the Group's advisors. Note 13 to the condensed interim consolidated financial statements provides more information about the additional consideration recognised under contract assets and liabilities.

Considering the uncertainties linked to the dispute stage, the Group cannot exclude that currently unforeseeable events may arise in the future which could require changes to the assessments made to date.

Rome Metro

As part of the contract for the design and construction of the works for the B1 line of the Rome Metro, Webuild (formerly Salini Impregilo) commenced three legal proceedings in its name and as lead contractor of the joint venture against Roma Metropolitane S.r.l. ("Roma Metropolitane") and Roma Capitale requesting they be ordered to pay the disputed claims recorded during works execution, for which a technical appraisal by a court-appointed expert was provided.

<u>Supreme Court- claims for the final billing for the Bologna- Conca d'Oro section</u>

The Rome Court's ruling of August 2016 settled the first level proceedings involving the claims made for the Bologna- Conca d'Oro section and partly accepted the joint venture's requests, ordering Roma Metropolitane to pay €11 million, plus VAT and related costs.

The joint venture commenced the necessary actions to collect the receivable based on this temporary enforceable ruling, which allowed it to collect the accepted amounts. It also presented an appeal for the award of a greater amount.

The Rome Appeal Court handed down its ruling of July 2018 rejecting the grounds for the joint venture's appeal and concurrently partly accepted the counter appeal presented by Roma Metropolitane, finding claim no. 38 to be ungrounded, although it had been partly accepted by the first level court for €4 million (already collected by the joint venture after the court's ruling).

The joint venture has appealed to the Supreme Court against the Appeal Court's ruling and a hearing date is yet to be set.

Rome Court- first set of claims for the Conca d'Oro- Jonio section

The second proceeding relates to the first set of claims for the Conca d'Oro- Jonio section. The initial stage has been deferred with the interim ruling of 2018 issued after the hearing for the conclusions. The judge accepted some claims made by the joint venture and ordered the court-appointed expert to recalculate the amounts due to the joint venture for just the claims rejected.

This ruling partly contradicted the findings of the first court-appointed expert which had confirmed the joint venture's claims for €27.5 million.

Webuild challenged the interim ruling of January 2018, solely for the part that rejected some claims already examined by the court-appointed expert earlier, as did Roma Metropolitane.

The expert completed their appraisal in December 2018 and filed their additional report which included four possible amounts ranging from €12 million to €23 million in favour of the joint venturers. Roma Metropolitane has requested the appraisal be reperformed by a new expert.

The Rome Court handed down its final ruling no. 6142/2020 of 15 April 2020 defining the second judgement on the extension of the B1 line and ordering Roma Metropolitane to pay the entire amount of €23.3 million, increased by the monetary revalution and interest since 31 August 2018, and the court costs and the court-appointed expert's cost.

Finally, with its ruling of 15 July 2020 on the partial ruling of January 2018, the Rome Appeal Court rejected Webuild's applications and partly accepted Rome Metropolitane's counter appeal, stating that two of the claims, accepted by the first level judge, were ungrounded.

Specifically, one of the two claims found to be ungrounded related to the irregular performance of the works which had been quantified by the court as part of the total compensation to be paid to the contractor for all the claims related to this issue (the irregular performance of the works), without specifying an individual amount for each claim. The appeal ruling reformulated the first level ruling finding the claim to be ungrounded but did not determine the amount of the related compensation. Therefore, it did not directly intervene with respect to the amount paid as per the first level ruling as compensation for the irregular performance of the works.

Webuild has appealed against the Rome Appeal Court's ruling before the Supreme Court and Roma Metropolitane has, in turn, presented its counter appeal.

The customer has also appealed against the Rome Court's ruling no. 6142/2020.

Rome Court- second set of claims for the Conca d'Oro- Jonio section

The third proceeding refers to the second and last set of claims for the Conca d'Oro- Jonio section, was commenced in September 2016 and the court-appointed expert completed their work in November 2018 and filed their definitive report. The expert found that the joint venture's claims of approximately €3 million were admissible. The Rome Court ordered Roma Metropolitane and Roma Capitale to jointly pay the total amount of €2.9 million increased by the accrued legal interest in its ruling no. 5861/2020 of 7 April 2020. Webuild appealed against the ruling on 18 September 2020 requesting that its claims be accepted and concurrently commenced the executive measures for collection of the amount due by Roma Capital as per the first level court ruling.

With its ruling no. 3370 of 11 May 2023, the Rome Appeal Court partly accepted Roma Metropolitane's counter appeal and reformulated the first level ruling reducing the amounts to be paid to the joint venture to €105 thousand (from the €2.9 million established by the Rome Court). The joint venture is investigating the possible actions it can take with the assistance of its legal advisors.

Supported by the opinion of its legal advisors, Webuild is confident that joint venture's arguments will be accepted.

Unforeseen costs have been incurred and the joint venture has accordingly presented its request for additional consideration. The costs are included in the measurement of contract assets and liabilities for the part deemed highly probable to be recovered, based also on the opinions of the Group's advisors. Note 13 to the condensed interim consolidated financial statements provides more information about the additional consideration recognised under contract assets and liabilities.

Considering the uncertainties linked to the dispute stage, the Group cannot exclude that currently unforeseeable events may arise in the future which could require changes to the assessments made to date.

ENI headquarters

On 24 October 2022, Webuild Italia S.p.A., contractor for ENI's new headquarters in the San Donato Milanese municipality, filed an application for arbitration in its name and as lead contractor of the joint venture with Lamaro Appalti S.p.A.. It intends to terminate the contract with the customer DeA Capital due to the latter's serious breach of the contract terms and the supervening onerousness. Therefore, Webuild Italia's application asks for the defendant to be ordered to pay €465 million, of which approximately €340 million as the market value of the asset built and approximately €125 million as compensation for damage due to termination of the contract as a result of the customer's default.

On 14 November 2022, DeA Capital filed its response, challenging the admissibility and grounds of the claims made by the joint venture and presenting its counterclaims for approximately €61.9 million.

Colombia - Yuma and Ariguani

Yuma Concesionaria S.A. (in which the Group has a 48.3% investment) ("Yuma") holds the concession for the construction and operation of sector 3 of the Ruta del Sol motorway in Colombia.

The construction works were delivered to the EPC contractor Constructora Ariguani S.A.S. en Reorganización ("Ariguani"), wholly owned by the parent, on 22 December 2011.

In November 2017, the customer ANI commenced administrative procedures against Yuma to have the contract terminated.

Yuma deems that the contract was significantly affected by a series of unexpected events outside its control which led to a significant imbalance in the contract that the customer is obliged to rectify.

After more than a year of negotiations, on 20 February 2020, the parties signed a rider to the concession agreement that provided for, inter alia, the interruption of the procedure commenced by ANI for the alleged serious breaches of the concession contract by Yuma and extended the contract term to complete the project by 56 months while not changing the concession term.

The addendum partially settled some claims made as part of the arbitration proceedings in place for the contract variations covered by the national arbitration at the Bogotà Chamber of Commerce and the claims before the International Chamber of Commerce as part of the international arbitration.

Webuild concurrently withdrew its application for arbitration to the ICC, presented in November 2017. As a result and with the acceptance by ANI, this international arbitration proceeding has been discontinued and the only international arbitration still in place is that before the ICC commenced by Yuma.

At the same time, two other addenda to the EPC contract were signed by Yuma and the EPC contractor Ariguani, covering the new financial terms and timeline agreed by them.

On 8 May 2020, the arbitration tribunal with the Bogotà Chamber of Commerce issued an award in Yuma's favour for six variations as part of the proceedings for the definition of 14 variations to the original contract. The tribunal has not defined the amounts to be paid by ANI to Yuma but ordered the parties to come to an agreement based on the calculation method established by the arbitrators. On 13 October 2020, the parties signed an agreement providing that the amount due to Yuma is COP247,514.9 million (€52 million).

Due to the dispute and the difficulties encountered during the project, in 2018, both Yuma and Ariguani commenced their reorganisation ("Reorganización") pursuant to the local laws (Law no. 1116 of 2006) and this process is still ongoing.

As established by the additional three addenda (nos 10, 11 and 12) to the concession contract, on 4 June 2021, the loan agreement signed by the Italian banks (i) Banca Intesa Sanpaolo and (ii) Banca Popolare di Sondrio and Webuild S.p.A. was presented to ANI. This €100 million loan has been taken out to fund and complete the works. On 18 June 2021, Webuild and Yuma Concesionaria signed the related loan agreement. At 30 June 2023, the parent had lent Yuma Concesionaria €187.9 million.

Project S8 (Poland)

The Group has a 95% interest in a joint venture in Poland set up in November 2014 for the design and construction of roads.

Although the main road section was opened to traffic on 22 December 2017, in May 2018, the customer informed the joint venture that the contract was considered to be terminated due to the latter's alleged breach of contract and concurrently requested payment of fines of €4.1 million.

On 22 May and 7 June 2018, the joint venture informed the customer that it considered termination of the contract to be invalid and legally ineffective and also asked for payment of the outstanding amount of €1.7 million and the contractually provided-for fines. Finally, it noted that the contract terminated due to the customer's default. The customer has attempted to enforce the bank performance bonds of €8 million. The joint venture obtained a court order from the Parma Court preventing this on a precautionary basis.

On 31 October 2019, the joint venture filed a claim form with the Warsaw first level court for the recovery of the costs not paid before termination of the contract, claims and compensation for the irregular termination. In February 2020, the customer filed a counterclaim for €2.9 million as contractual fines due to the termination of the contract for reasons allegedly attributable to the joint venture. At the date of preparation of this report, the ruling has not yet been handed down.

Unforeseen costs have been incurred and the joint venture has accordingly presented its request for additional consideration. The costs are included in the measurement of contract assets and liabilities for the part deemed highly probable to be recovered, based also on the opinions of the Group's advisors.

The Group cannot exclude that events may take place in the future that cannot currently be foreseen and that could make it necessary to change its valuations.

Project A1F (Poland)

The Group has a 100% interest in a joint venture in Poland set up in October 2015 for the design and construction of roads.

On 29 April 2019, the customer informed the joint venture that the contract was considered to be terminated due to the latter's alleged breach of contract and concurrently requested payment of fines of €18 million.

On 6 May 2019, the joint venture informed the customer that it considered termination of the contract to be invalid and legally ineffective. On 14 May 2019, it notified that the contract terminated for reasons attributable to the customer as a result of reported defaults that were not remedied by the customer.

The customer obtained enforcement of the performance bonds, retentions and fines of €37 million, which the joint venture had provided.

The joint venture has commenced proceedings against the customer before the Warsaw Court to receive payment for the works performed and claims of €54 million. At the date of preparation of this report, the ruling has not yet been handed down.

Unforeseen costs have been incurred and the joint venture has accordingly presented its request for additional consideration. The costs are included in the measurement of contract assets and liabilities for the part deemed highly probable to be recovered, based also on the opinions of the Group's advisors. Note 13 to the condensed interim consolidated financial statements provides more information about the additional consideration recognised under contract assets and liabilities.

The Group cannot exclude that events may take place in the future that cannot currently be foreseen and that could make it necessary to change its valuations.

Project S3 (Poland)

The Group has a 99.99% interest in a joint venture in Poland set up in December 2014 for the design and construction of roads.

On 29 April 2019, the customer informed the joint venture that the contract was considered to be terminated due to the latter's alleged breach of contract and concurrently requested payment of fines of €25 million.

The customer attempted to enforce the performance bonds of €13 million, which the joint venture had provided. After the filing of an appeal against this enforcement, Salini Impregilo (now Webuild) provided for payment.

On 6 May 2019, the joint venture informed the customer that it considered termination of the contract to be invalid and legally ineffective. On 14 May 2019, it noted that the contract terminated for reasons attributable to the customer as a result of reported defaults that were not remedied by the customer.

On 31 October 2019, the joint venture filed a claim form with the Warsaw first level court for the return of the amounts related to the undue enforcement of the performance bonds and payment of the fines due to termination. The customer's rejoinder and replication was received on 8 January 2021 and it includes a counterclaim for around €11 million for delays, payments made by it to subcontractors, costs for work site maintenance, costs to reorganise traffic and interest. In April 2021, the judge excluded the customer's counterclaim from the proceedings for its examination in a separate proceeding. At the date of preparation of this report, the ruling has not yet been handed down.

Unforeseen costs have been incurred and the joint venture has accordingly presented its request for additional consideration. The costs are included in the measurement of contract assets and liabilities for the part deemed highly probable to be recovered, based also on the opinions of the Group's advisors.

The Group cannot exclude that events may take place in the future that cannot currently be foreseen and that could make it necessary to change its valuations.

Project S7 Kielce (Poland)

The Group has a 99.99% interest in a joint venture in Poland set up in November 2014 for the design and construction of roads.

The customer has enforced bank guarantees of €15 million.

The joint venture reached an out-of-court agreement about the enforcement of the guarantees with the customer in December 2022, obtaining the return of PLN45 million (€9.6 million). It still has a pending dispute with the customer GDDKiA for price revisions and additional costs incurred for the project of PLN79.5 million (€16.8 million).

Unforeseen costs have been incurred and the joint venture has accordingly presented its request for additional consideration. The costs are included in the measurement of contract assets and liabilities for the part deemed highly probable to be recovered, based also on the opinions of the Group's advisors.

The Group cannot exclude that events may take place in the future that cannot currently be foreseen and that could make it necessary to change its valuations.

Project S7 Wydoma (Poland)

Webuild was awarded this contract in October 2017.

On 7 December 2020, the customer informed Webuild that the contract was considered to be terminated due to the latter's alleged breach of contract.

On 16 December 2020, Webuild informed the customer that it considered termination of the contract to be invalid and legally ineffective. It requested payment of the contractual fine of approximately €35 million (not yet received) and the return of the performance bond. It also noted that the contract terminated for reasons attributable to the customer.

On 21 December 2020, Webuild filed an update of its first claim form (filed on 4 November 2020) with the Warsaw first level court. It asked that the judge find the contract to be terminated unjustly and that it be due the additional consideration of approximately €55 million, subsequently revised to roughly €84.5 million.

GDDKiA enforced the advance payment and performance bonds for a total of €25 million, included in Webuild's claims as part of the dispute before the Polish courts.

Unforeseen costs have been incurred and the joint venture has accordingly presented its request for additional consideration. The costs are included in the measurement of contract assets and liabilities for the part deemed highly probable to be recovered, based also on the opinions of the Group's advisors.

The Group cannot exclude that events may take place in the future that cannot currently be foreseen and that could make it necessary to change its valuations.

Copenhagen Cityringen

As a result of critical issues about this project related to its specific features and the significance of the works, the joint venture including Webuild (Copenhagen Metro Team I/S, "CMT") had to significantly revise the cost estimates for the early stages of this project. They mainly related to the construction of the concrete works, the electromechanical works and the architectural finishings.

The negotiations with the customer, assisted by their consultants and technical/legal advisors, led to the signing of an interim agreement on 30 December 2016 (which allowed the joint venture to collect €145 million) and other agreements which enabled it to collect additional advances (for a total of €260 million). This settled some claims with the outstanding claims referred to the pending arbitration proceeding before the Building and Construction Arbitration Board.

On 12 July 2019, the joint venture delivered the project and the metro was officially opened to the public on 29 September 2019.

In 2020, a year after the handover, when the performance bonds were to be reduced from 3% to 1%, the customer presented counterclaims for approximately €43 million blocking this reduction. The joint venture deems that these counterclaims are completely groundless and lacking the minimum requirements to be considered as such, by virtue of their failure to provide even the most basic information, such as a description of the events, timing, place of the facts, the cause effect link, contractual justification and support for quantification. On the basis of the above, CMT entirely rejected the counterclaims, judging them without any foundation.

On 26 April 2021, CMT presented the Building and Construction Arbitration Board with its Supplementary Statement of Claim. Therefore, at that date, all its claims (€804 million) had been formally filed for arbitration. The arbitration tribunal has not yet been constituted.

On 17 September 2021, CMT presented a new separate application for arbitration to the Building and Construction Arbitration Board asking for a reduction in the performance bonds from €52.1 million to €17.3 million. The proceeding is at an initial stage.

Unforeseen costs have been incurred and the Group has accordingly presented its request for additional consideration. The costs are included in the measurement of contract assets and liabilities for the part deemed highly probable to be recovered, based also on the opinions of the Group's advisors.

The Group cannot exclude that events may take place in the future that cannot currently be foreseen and that could make it necessary to change its valuations.

North West Rail Link (Australia)

This project included the design and build of a 36 km metro line north west of Sydney, of which 4.6 km as a viaduct (the Skytrain bridge). The metro opened in May 2019.

The Group participated in the project through a joint venture of Salini Impregilo (now Webuild) and Salini Australia PTY. Ltd.

After the joint venture presented claims, the DAB issued a decision acknowledging its right to AUD34.5 million (€21.4 million) on 9 December 2019.

The contract with Sydney Metro provides for resort to the Australian Centre for International Commercial Arbitration should one or both of the parties be unsatisfied with the DAB's decision.

In fact, on 31 January 2020, both the joint venture and the customer presented the DAB with a notice of dissatisfaction.

The joint venture subsequently applied for arbitration to the Australian Centre for International Commercial Arbitration on 20 July 2021. The arbitration tribunal has been constituted and the hearing is underway.

Supported by the opinion of its legal advisors, Webuild is confident that the joint venture's arguments will be accepted at the end of the dispute.

Unforeseen costs have been incurred and the joint venture has accordingly presented its request for additional consideration. The costs are included in the measurement of contract assets and liabilities for the part deemed highly probable to be recovered, based also on the opinions of the Group's advisors.

Considering the uncertainties linked to the dispute stage, the Group cannot exclude that currently unforeseeable events may arise in the future which could require changes to the assessments made to date.

Al Bayt Stadium (Qatar)

On 25 October 2019, the joint venture comprising Leonardo S.p.A. and PSC S.p.A. ("Leonardo/PSC JV") commenced an arbitration proceeding before the International Chamber of Commerce against the joint venture consisting of Galfar Al Misnad Engineering and Contracting, Salini Impregilo (now Webuild) and Cimolai S.p.A. ("GSIC JV" in which the Group has a 40% interest) with respect to the contract to build the Al Bayt Stadium in Doha, Qatar.

As subcontrator of the contract to supply mechanical and electrical works, the Leonardo/PSC joint venture claimed damages for delays, the acceptance of variations and other compensation from the contractor GSIC JV for QAR1,289 million (€300 million). As part of the same arbitration proceedings, GSIC JV presented its counterclaim, which includes, inter alia, acknowledgement of the costs incurred on the subcontractor's behalf and compensation for the higher costs incurred due to the latter's delays and negligence.

In turn, GSIC JV has claimed damages of not less than QAR715 million (€173 million).

At the date of preparation of this report, the arbitration award has not yet been published.

With respect to the arbitration proceedings commenced by the Leonardo/PSC JV, supported by the opinion of its legal advisors, GSIC JV is confident that its arguments will be accepted at the end of the dispute.

During preparation of the contract budget and the condensed interim consolidated financial statements, Webuild considered the above costs and compensation for the subcontractor's delays and negligence to the extent it deems it is highly probable that GSIC JV's counterclaim will be successful, also based on the opinion of the Group's legal advisors. Note 13 to the condensed interim consolidated financial statements provides more information about the additional consideration recognised under contract assets and liabilities.

It cannot exclude that events may take place in the future that cannot currently be foreseen and that could make it necessary to change its valuations.

Saudi Arabia

With respect to the contract to build Line 3 of the Riyadh Metro, on 25 January 2021, the Arab company United Code Contracting Corporation commenced an ICC arbitration proceeding against the joint venture comprising Webuild, Larsen & Toubro, Salini Saudi Arabia and Nesma.

As subcontractor for the works supply contract, United Code Contracting Corporation has claimed damages of USD162.5 million from the joint venture for the undue termination of the subcontracting contract, non-payment of interim payment certificates, failure to pay the final bill and the undue allocation of works to third parties.

The joint venture has claimed an initial amount of USD114.5 million from United Code Contracting Corporation as fines, undue payments, unclaimed payments and compensation for damages as well as the claims previously agreed by the parties in a contract addendum but no longer accepted by the customer and the additional costs to recover the above amounts.

The Group has a 59.14% interest in the joint venture. The arbitration tribunal was set up in September 2021 and the pre-trial stage is underway.

Supported by the opinion of its legal advisors, the joint venture is confident that its arguments will be accepted at the end of the dispute.

Considering the uncertainties linked to the dispute stage, the Group cannot exclude that currently unforeseeable events may arise in the future which could require changes to the assessments made to date.

Slovakia

On 6 March 2019, the joint venture comprising Salini Impregilo (now Webuild) and the Slovakian company Duha and the customer signed an agreement to terminate the contract for the design and construction of a major motorway section. This agreement provides for the recognition of the works awaiting certification and also establishes that:

- the customer will certify most of the works performed and awaiting approval for bureaucratic reasons in the short term;
- a dispute adjudication board (DAB) will be appointed, consisting of international members rather than the Slovakian members provided for in the original contract, to decide on the additional consideration requested by the joint venture;
- should the DAB's ruling not be agreeable to the parties, they may apply to an international arbitration tribunal (ICC Vienna) rather than a Slovakian tribunal as provided for in the original contract.

After the joint venture's presentation of its many claims, on 18 November 2019, the DAB issued its first decision on the unexpected geological events and excavations of the tunnel, finding that the joint venture was due approximately €8 million. In December 2019, both the joint venture and the customer sent the DAB a notice of dissatisfaction. As the parties were unable to come to an agreement, the joint venture applied to ICC for arbitration on 14 February 2021.

On 18 June 2021, the DAB issued its second decision on the greater costs related to the extension of the contract timeline and fines (milestones 2 and 3), finding that the joint venture was due €7 million.

The joint venture filed its second application for arbitration with ICC on 28 June 2021. The parties agreed to join the two arbitration proceedings and the arbitration tribunal has been constituted. The proceeding is underway.

Unforeseen costs have been incurred and the joint venture has accordingly presented its request for additional consideration. The costs are included in the measurement of contract assets and liabilities for the part deemed highly probable to be recovered, based also on the opinions of the Group's advisors.

The Group cannot exclude that events may take place in the future that cannot currently be foreseen and that could make it necessary to change its valuations.

Autopistas del Sol S.A. (Ausol)

In September 2022, the customer Dirección Nacional de Vialidad (DNV) filed an application with the local courts to cancel decree no. 607/2018 and the renegotiation agreement with the operator Ausol, in which Webuild has a 19.8% stake. At the date of preparation of this report, the related ruling has not yet been handed down.

The renegotiation agreement provided that Ausol would receive USD499 million for its investment, which it could not recover as DNV had never approved the necessary revisions to the motorway tolls. In addition, the parties agreed to end the local and international disputes related to the grantor's contractual default.

Accordingly, Ausol appeared before the court. Concurrently in October 2022, Ausol filed an urgent arbitration application with ICC, which accepted it and handed down an order blocking any further actions by DNV. Ausol also commenced arbitration proceedings before ICC to (i) have it pronounced that the only venue competent to rule on the dispute is an ICC arbitration tribunal, (ii) have the renegotiation agreement signed by DNV and Ausol found to be valid, and (iii) request reimbursement of the fees that DNV prevented the operator from collecting in previous years.

On 23 October 2022, an arbitration application was filed requesting that the renegotiation agreement ("Acuerdo Integral de Renegociación", AIR) be found to be valid and the Argentine government be ordered to comply therewith (and hence pay the established amount which had never been collected). On 4 July 2023, the Argentine government obtained a precautionary measure suspending the arbitration proceedings. The legal counsel has informed the tribunal and has filed an appeal.

Supported by the opinion of its legal advisors, Ausol is confident that its arguments will be accepted at the end of the dispute.

Administrative litigation

This section describes the main administrative proceedings involving the group companies.

USW Campania projects

The special commissioner tasked by the Regional Administrative Court to collect receivables of the former operators of the waste disposal service performed until 15 December 2005 submitted their final report in November 2014, in which they stated that the competent public administration had already collected directly €46.4 million of the fee due to Fibe for its services rendered until 15 December 2005 (when the contracts were terminated ope legis), without forwarding it to Fibe, and that total outstanding receivables totalled €74.3 million.

In its ruling no. 7323/2016, the Regional Administrative Court decided that the special commissioner should pay the amounts claimed by Fibe only after the assessment is completed and, hence, including amounts already collected by the administration. Fibe challenged this ruling with the Council of State which rejected it with its ruling no. 1759/2018. A petition for the conclusion of the proceedings was then filed. After the resignation of the special commissioner, the Regional Administrative Court appointed a new commissioner on 16 April 2018. As this commissioner did not accept the position, on 10 January 2019, another commissioner was appointed that filed a report on 13 January 2020 confirming the findings reported by the previous commissioner in November 2014. Due to the interim payments made which reduced the total amounts due, the commissioner calculated the amounts outstanding as fees to be €54.8 million and deferred the definitive calculation of the amounts of €3.1 million in addition to that already ascertained and the total amount of interest and fines due to Fibe to a second stage. On 29 January 2021, the commissioner filed another report setting out the definitive calculation of the amounts due to be €57.3 million and the interest and fines due to Fibe as €62.7 million. The Regional Administrative Court ruled on 4 March 2021 that the mandate given to the special commissioner had ended and confirmed the amounts ascertained by them.

In 2009, Fibe filed a complaint with the Lazio Regional Administrative Court about the slackness of the competent authorities in completing the administrative procedures for the recording and recognition of the costs incurred by the former service contractors for activities carried out pursuant to law and the work ordered by the administration and performed by the companies during the years from 2006 to 2008 (i.e., after the contracts had been terminated).

As part of the aforementioned ruling, the Regional Administrative Court appointed an inspector who, on 21 December 2017, submitted a final report finding that, in short, the amounts stated by Fibe in its appeal and the supporting documentation were substantially consistent. The company requested a more in-depth review of certain items and the correction of some errors. The Regional Administrative Court ordered an additional inspection. On 28 September 2018, the inspector filed their final report, which addressed the requests made by

Fibe for a more in-depth review and corrections. The Lazio Regional Administrative Court with its ruling of 21 March 2019 ordered the Office of the Prime Minister to pay €53 million, including VAT and interest, as the fee for services carried out after the contracts were terminated. The Office of the Prime Minister challenged this ruling before the Council of State. In its ruling no. 974 of 7 February 2020, the Council of State identified a logical legal error in the Regional Administrative Court's ruling where it ordered the Office of the Prime Minister to pay the amounts requested and documented by Fibe (private part) not yet checked by it. The Council of State amended in part the first level ruling finding that Fibe is due the smaller amount of €21 million, increased by legal interest (instead of the amount of €53 million ordered by the Regional Administrative Court). It ordered the administration to check the difference between the amount due to Fibe and that established by the Regional Administrative Court.

In May 2020, Fibe filed: (i) an appeal before the Supreme Court for excessive jurisdictional power and (ii) an appeal before the Council of State for revision due to inconsistent rulings and the error of fact made by the Appeal Judge. The Council of State accepted the appeal for revision and recognised Fibe's subjective right to the amounts due to it with its ruling no. 1674/21 of 26 February 2021. Nevertheless, it referred the completion of the checks to the Office of the Prime Minister, setting a deadline of 180 days. Fibe appealed against this ruling before the Supreme Court challenging the backwardness of the jurisdictional function as per article 362 of the Code of Civil Procedure (appeal no. 20137/2021). Appeal no. 13875/2020 against the Council of State's ruling no. 974/2020, partly overturned by the Council of State's subsequent ruling no. 1674/2021, was joined with this appeal.

The Supreme Court handed down a joint ruling filed on 4 February 2022 rejecting both appeals and confirming the Council of State's ruling no. 1674/21 on the revision and related obligation of the public administration to complete the procedure and, should it fail to do so, to appoint a special commissioner (the state general accounting office) to do so. The Office of the Prime Minister had stated that it was unable to carry out the investigation due to the lack of available data and short period of time allowed and referred to the special commissioner to check and confirm the reported amounts. The state general accounting office requested and obtained a further deadline (until December 2023) to express its opinion.

The Rome Court assigned Fibe the total amount of approximately €71 million with a deadline of 20 days for Bank of Italy to pay the amount starting from the date of notification of the ruling handed down on 20 June 2022 as part of the enforcement procedure commenced by Fibe for receipt of the amounts recognised by the Council of State's ruling no. 974/2020 and those due under the civil proceedings described in point 2 of the previous section on civil litigation. The ruling was notified on 22 June 2022 and Fibe collected the amount on 20 July 2022.

With ruling no. 3886/2011, the Lazio Regional Administrative Court upheld Fibe's appeal and ordered the administration to pay the undepreciated costs at the termination date for the RDF plants to Fibe, for a total amount of €205 million, plus legal and default interest from 15 December 2005 until settlement.

Following the enforcement order filed by Fibe and opposed by the Office of the Prime Minister, Fibe obtained the allocation of €241 million (collected in previous years) as a final payment for the receivables for principal and legal interest and suspended the enforcement procedure for the further amount of default interest claimed. Both parties initiated proceedings about the merits of the case. The judge rejected the request for default interest submitted by Fibe in the ruling of 12 February 2016, which Fibe challenged.

The proceedings already finalised by the ordinary Naples Court were reinstated by the Campania Regional Administrative Court upon the application of the administration. They related to the payment of approximately €20 million due as per the conformity deed signed by Fibe on 25 February 2005 and the return of approximately €31 million collected by Fibe as the contribution for environmental restoration and withheld by it as a reduction in the waste disposal fee due to it that the special commissioner should have collected on its behalf.

With respect to these latter rulings, the Campania Regional Administrative Court published ruling no. 02761/2023 on 5 May 2023 on the ruling related to the conformity deed and ruling no. 02623/2023 on 2 May 2023 on the "environmental restoration". It ordered Fibe to pay approximately €20 million and €33 million in the two rulings, respectively, plus legal interest accruing from December 2005.

Fibe has appealed to the Council of State against both rulings.

As part of the USW Campania projects, the Group was notified of a large number of administrative measures regarding reclamation and the implementation of safety measures at some of the landfills, storage areas and RDF plants. For the proceedings regarding the characterisation and emergency safety measures at the Pontericcio site, the RDF plant in Giugliano and the temporary storage area at Cava Giuliani, the Lazio Regional Administrative Court rejected the appeals filed by Fibe with ruling no. 6033/2012. An appeal against this ruling, based on contamination found at a site different to those subject of the proceedings, was filed with the Council of State. It denied Fibe's precautionary motion to stay the enforcement of the decision. The Council of State subsequently accepted Fibe's appeal in its ruling no. 5076/2018, reversing the first level ruling and cancelling the measures challenged by Fibe. With respect to the Cava Giuliani landfill, the Lazio Regional Administrative Court, with ruling no. 5831/2012, found that it lacked jurisdiction in favour of the Superior Court of Public Waters, before which the appeal was summed up and this court rejected the appeal with its ruling no. 119/2020 filed on 28 December 2020. Fibe has appealed this ruling. Before the judges' rulings, Fibe had completed the characterisation operations for the above sites, but this does not constitute any admission of liability whatsoever.

S.a.Bro.M. S.p.A.

S.a.Bro.M. S.p.A. ("Sabrom") is the operator for the design, construction and operation of the new regional Broni-Mortara motorway under the terms of the concession contract signed with the customer Infrastrutture Lombarde S.p.A. ("ILSpA") on 16 September 2010.

In July 2016, the Ministry for the Environment, Land and Sea Protection ("MATTM") issued a measure containing a negative opinion on the project's environmental compatibility.

Sabrom asked the customer to protect the project by appealing against the Ministry's measure and also communicated its willingness to work with the customer to modify the designs so that the project could be re-assessed by the Ministry and other competent bodies.

As requested by Sabrom, the customer appealed against the Ministry's measure before the Lombardy Regional Administrative Court which rejected the appeal with its ruling published on 30 July 2018.

On 14 February 2019, ILSpA filed an appeal with the Council of State and the date of the hearing has not yet been set.

Supported by its legal advisors, Sabrom deems the risk of an unfavourable ruling is remote and that the assets recognised under intangible assets at 30 June 2023 are recoverable.

It cannot exclude that events may take place in the future that cannot currently be foreseen and that could make it necessary to change its valuations.

Criminal litigation

This section describes the main criminal proceedings involving the group companies.

USW Campania projects

In 2008, as part of an investigation into waste disposal in the Campania region carried out after the ope legis termination of the relevant contracts (on 15 December 2005), the Preliminary Investigations Judge, upon a request by the public prosecutor, issued personal preventive seizure measures against some managers and employees of Fibe, Fibe Campania (subsequently merged into Fibe) and Fisia Ambiente and managers of the commissioner's office. As part of this investigation, the former service providers and Fisia Ambiente are also charged with the administrative liability attributable to companies pursuant to Legislative decree no. 231/2001 without claims for compensation being made against these companies.
In the hearing of 21 March 2013, the Preliminary Hearing Judge ordered that all the defendants and companies involved pursuant to Legislative decree no. 231/2001 be committed for trial for all charges, transferring the proceedings to the Rome Court as a result of an acting judge being listed by the Naples public prosecutor as

under investigation.

On 16 June 2016, the Rome Court accepted the public prosecutor's request and found all the individuals involved in the proceedings not guilty. The hearing will continue for the companies involved and the public prosecutor is currently examining the motions.

The group companies involved in the proceedings are confident that their conduct was completely lawful and deem that the risk of civil and administrative liability is remote.

COVIV Consortium

On 26 October 2016, some managers and employees of COCIV were arrested as were other persons (including the chairman of Reggio Calabria- Scilla S.C.p.A., who promptly resigned) with warrants issued on 7 October 2016 by the Genoa Preliminary Investigations Judge and 10 October 2016 by the Rome Preliminary Investigations Judge. The above two legal entities were informed that the Genoa and Rome public prosecutors are investigating alleged obstruction of public tender procedures, corruption and, in some cases, criminal organisation.

Specifically, the public prosecutor dismissed the original charges against COCIV (article 25 of Legislative decree no. 231/2001) while it applied for and obtained trial for around 35 people, including Webuild's chief executive officer and several senior managers and employees of COCIV, accused of 13 counts of bid rigging and corruption.

On 30 September 2022, the Genoa Court found Webuild's chief executive officer and COCIV's chairperson not guilty of any of the crimes alleged by the public prosecutor. The other managers and employees were also found not guilty except for one case of bid rigging (which was actually a market survey, the so-called "Vecchie Fornaci") involving two employees and a former manager. On 17 March 2023, the reasons for the decision were filed and the public prosecutor appealed against them in relation to the few remaining charges not yet time-barred, together with the civil party and the defence counsels of the defendants found guilty in the case of bid rigging (the Vecchie Fornaci market survey).

At the date of preparation of this report, a date for the appeal hearing has not yet been set.

The proceedings commenced by the Rome public prosecutor cover alleged active corruption of the works manager by senior management of the contractors (namely COCIV, Reggio Calabria- Scilla S.C.p.A. and Salerno-Reggio Calabria S.C.p.A.) to encourage the works manager (also under investigation) to carry out acts contrary to their official duties, as well as the alleged administrative liability of COCIV and Reggio Calabria- Scilla S.C.p.A. for the administrative offence as per articles 5 and 25 of Legislative decree no. 231/2001.

Various courts (Rome, Bolzano and subsequently Alessandra) have gradually excluded their territorial jurisdiction to hear the case and, accordingly, on 25 November 2022, the Supreme Court charged with finally resolving the negative conflict of jurisdiction by the Judge for Preliminary Hearing at the Alessandria Court, definitively confirmed the jurisdiction of the Bolzano Court, to whose public prosecutor's office the documents were therefore sent.

On 19 July 2023, after another application for a hearing, the Judge for Preliminary Hearing at the Bolzano Court set a new date for a preliminary hearing on 13 October 2023.

Rome Court investigations (notice of completion of the preliminary investigations)

Webuild has been informed by the legal advisors of a group manager of proceedings commenced by the Rome public prosecutor about a fatal accident at the Gibe III Ethiopian work site in 2013. On 11 February 2022, the notice of completion of the preliminary investigations as per article 415-bis of the Italian Criminal Code was notified. The public prosecutor alleged the group manager's responsibility for manslaughter as per Legislative decree no. 231/2001 for violation of the rules on safety in the workplace as the employee who had a fatal accident had not been provided with the required training and did not receive medical assistance in time.

With respect to the charges made against Webuild, it has already requested and obtained the filing order as the alleged administrative offence has been time-barred for years.

Ministry of the Environment / Autostrade per l'Italia S.p.A. - Todini Costruzioni Generali (now HCE Costruzioni + others)

In June 2011, upon conclusion of the investigations commenced in 2005, the Florence public prosecutor charged the CEOs and former employees of Todini Costruzioni Generali S.p.A. with environmental crimes with respect to the management of excavated soil and rocks, water regulation, waste management and damage to environment assets as part of the Tuscan lots of the "Valico variation".

The Ministry of the Environment joined the criminal proceedings as a civil party, suing Autostrade per l'Italia S.p.A., Todini Costruzioni Generali S.p.A., Impresa S.p.A. and Toto S.p.A. for their civil liability and quantifying the alleged environmental damage to be compensated as "not less than €810,000,000.00 or any amount that may be established during the proceedings and/or established in an equitable manner". As evidence of the damage, the Ministry presented a preliminary report prepared by I.S.P.R.A. (a body which is part of the Ministry).

The judge held that the I.S.P.R.A. report was not a document that could be used in the proceedings as it had not been prepared inter partes and, moreover, did not include the name of the individual that had physically prepared it. At the date of preparation of this report, the claim for compensation is not supported by proof about its size.

On 30 October 2017, the Florence Court found all the defendants not guilty and the public prosecutor appealed the ruling on 20 June 2019. The Supreme Court accepted the public prosecutor's appeal on 19 January 2021 and overturned the Florence Court's ruling, remitting continuation of the case to the Appeal Court. The appeal hearing started in July 2022.

For completeness purposes, as a result of the claim for compensation presented by the Ministry of the Environment, the Group had commissioned a report on the possible effect of the criminal proceeding on the consolidated financial statements. The opinion was that the Ministry's joining the proceedings as a civil party did not require any provision to be made in the separate or consolidated financial statements or the condensed interim consolidated financial statements.

The Group is confident that the claim for compensation will not be accepted.

Other situations characterised by risk and/or uncertainty profiles

Società Italiana per Condotte d'Acqua S.p.A. under extraordinary administration

Società Italiana per Condotte d'Acqua S.p.A. under extraordinary administration ("Condotte"), which has investments in group companies, filed a petition as per article 161.6 of the Bankruptcy Law after which, on 17 July 2018, it applied for immediate application of the extraordinary administration procedure pursuant to article 2 of Decree law no. 347/2003 to the Ministry of Economic Development.

The Ministry issued its decree on 6 August 2018 authorising Condotte to enter extraordinary administration as per Decree law no. 347/2003 converted by Law no. 39 of 18 February 2004 (the "Marzano Law").

The Rome Court declared Condotte insolvent in its ruling of 14 August 2018.

On 22 October 2018, the special commissioners invited Condotte's creditors to file their claims for inclusion in the insolvency proceedings for their receivables originated up to 6 August 2018 (the date on which it entered extraordinary administration) before 12 December 2018.

The following consortia or consortium companies, in which the Group has investments, filed their claims by the due date:

- Consorzio Alta Velocità Torino Milano (CAVTOMI);
- Consorzio Collegamenti Integrati Veloci (COCIV);
- Lybian Expressway Contractors;
- Eurolink S.C.p.A.;
- Reggio Calabria Scilla S.C.p.A.;

- Salerno Reggio Calabria S.C.p.A.;
- Consorzio Iricav Due.

Their claims were based on the following:

a) offsetting their receivables from Condotte that were due before 6 August 2018 against their payables due to Condotte which were also due before 6 August 2018;

b) filing of the outstanding balances after the offsetting in the insolvency proceeding:

  - as a pre-preferential claim as provided for by article 51.3 of Law no. 270/1999 (the "Prodi Law") and article 74 of the Bankruptcy Law;
  - alternatively and subject to appeal, as a preferential claim in accordance with article 2761.2 of the Italian Civil Code for the principal and article 2758 of the Italian Civil Code for the VAT collected at source;
  - as a secured claim as a further alternative and subject to appeal.

On 14 February 2019, Condotte's special commissioners filed the claims with the court office.

On 22 February 2019, the consortia/consortium companies filed their comments on the claims for the purposes of the related hearing.

During 2019 and 2020, the hearings about the claims took place at the Rome Court. The judge confirmed the acceptance of the claims of Eurolink S.C.p.A., Lybian Expressway Contractors, Salerno Reggio Calabria S.C.p.A. and Reggio Calabria Scilla S.C.p.A. as unsecured claims, as well as the interest calculated in the comments, on 11 June 2020.

CAVTOMI's claims were not accepted as they were offset by its payables. The consortium's legal counsel noted that the commissioners had not provided proof of the existence of these payables and requested they be given additional time to better analyse the accounting documentation presented in court. The judge has not accepted the request given the need to finalise the claims during the hearing and given that appeals can be made by challenging the accepted claims.

As COCIV and Iricav Due Consortium had entered into agreements with Condotte's special commissioners in the meantime, with the result that they transferred their interests, rights and obligations, and amounts due to and from Condotte to Webuild, they waived their right to have their claims included in the insolvency proceedings.

Lybian Expressway Contractors, Eurolink S.C.p.A., Reggio Calabria Scilla S.C.p.A. and Salerno Reggio Calabria S.C.p.A. have challenged the accepted claims before the Rome Court, asking that their requests be accepted and, specifically, that the pre-preferential nature of the accepted claims be acknowledged (including conditional upon Condotte's taking over of the consortium's relationships) and the amounts due as interest.

On 10 November 2021, the Rome Court rejected the appeal challenging the accepted claims presented by Reggio Calabria Scilla S.C.p.A. in liquidation against Società Italiana per Condotte d'Acque S.p.A. under extraordinary administration.

The Rome Court subsequently accepted the appeal filed by Salerno Reggio Calabria S.C.p.A. in liquidation ("SARC") challenging the accepted claims in its ruling of 25 May 2022. It found that the consortium company's claim of €22.8 million from Condotte can be considered to be pre-preferential conditional upon the commissioners taking over the consortium's relationships. The Court also accepted another appeal made by SARC for interest of €9.9 million accrued on the claim in the same ruling. The competent judge had excluded the inclusion of interest in the claims while the Court accepted it and found it to also be pre-preferential. As a result, SARC has a conditional pre-preferential claim of approximately €32.7 million.

The group companies in which Condotte has investments are carefully monitoring developments in the situation.

Supported by its legal advisors, Webuild is confident that the receivables and payables will be offset and that the receivables should be recovered (net of offsetting) by the SPEs in which Condotte had an investment.

Astaris (formerly Astaldi)

Composition with creditors on a going concern basis as per article 186-bis of the Bankruptcy Law and partial proportionate demerger of the core assets scope

On 28 September 2018, Astaldi S.p.A. ("Astaldi" or "Astaris") filed its application (no. 63/2018) with the bankruptcy section of the Rome Court for its composition with creditors on a going concern basis procedure as per article 161 and following articles of the Bankruptcy Law (the "procedure").

On 19 June 2019, Astaldi filed the definitive composition with creditors plan (the "plan") together with the proposal and additional documentation requested (subsequently updated on 16 July 2019, 20 July 2019 and 2 August 2020- the "composition with creditors proposal").

The plan is underpinned, inter alia, by the offer for financial and industrial assistance made by Webuild on 13 February 2019, subsequently integrated and confirmed on 15 July 2019 (the "Webuild offer"). On 5 November 2020, after subscribing the capital increase reserved to it, Webuild became Astaldi's controlling shareholder and had an investment therein of 66.10% at 30 June 2021.

The Rome Court authorised the composition with creditors procedure with immediate and definitive effect with its ruling no. 2900/2020 published on 17 July 2020 (no. 26945/2020) and authorised its full execution with its ruling of 28 July 2021. Astaldi changed its name to Astaris S.p.A. with the deed of 30 May 2022.

Partial proportionate demerger of the core assets scope

On 29 and 30 April 2021, respectively, extraordinary meetings of the shareholders of Webuild and Astaldi were held to approve the proposed partial proportionate demerger of Astaldi to Webuild, after which Astaldi's core assets scope will be definitively separated, including legally, from the separate unit set up by it on 24 May 2020 as part of its composition with creditors procedure.

On 1 August 2021, the partial proportionate demerger became effective and Webuild took over all the assets and legal relationships of Astaldi's core assets, without prejudice to the effects of the composition with creditors procedure and excluding those transferred to the separate unit set up by Astaldi pursuant to article 2447-bis and following articles of the Italian Civil Code as part of its composition with creditors proposal authorised by the Rome Court and to be used solely to satisfy its unsecured creditors. As a result, Webuild received Astaldi's liabilities related to the core assets scope after Astaldi discharged its debts resulting from the composition with creditors procedure. This implies that it did not receive, inter alia, liabilities for claims to be considered as unsecured pursuant to the authorised composition with creditors proposal related to Astaldi's transactions, settled or not before 1 August 2021, even when they were acknowledged in the proceedings or out-of-court after that date. Webuild is solely obliged to issue shares for such claims in accordance with that set out in the demerger proposal.

On 1 August 2021, but effective before the demerger, the transfer of the business unit including Astaldi's Italian operations to a wholly-owned newco, Partecipazioni Italia S.p.A., took place.

As a result of the demerger, Webuild has obtained control of 100% of Partecipazioni Italia S.p.A., owned by Astaldi S.p.A., with effect from 1 August 2021.

NBI S.p.A.- Separate composition with creditors procedure

On 5 November 2018, NBI S.p.A. ("NBI"), wholly-owned by the Group, submitted an application for a separate composition with creditors on a going concern basis procedure to the Rome Court as per article 161.6 of the Bankruptcy Law. On 9 October 2020, the Rome Court published its ruling authorising NBI's composition with creditors procedure. This ruling, handed down without opposition as per article 180.3 of the Bankruptcy Law, cannot be appealed and is, therefore, res judicata with immediate effect. NBI's composition with creditors procedure entails the settlement of all the pre-preferential and preferential claims in full and payment of 10.1% of the unsecured claims in cash over the plan period as well as payment of the unsecured claims using the proceeds from the sale of some non-core assets. The court has entrusted the performance of the composition with creditors procedure to NBI while the judicial commissioners will oversee its proper execution. The court appointed a receiver to sell the non-core assets in line with the information provided in NBI's composition with creditors proposal and assigned them the duty of satisfying the creditors. The court's authorisation implies that NBI is again a going concern.

Afragola FS S.C.r.l.- Separate composition with creditors procedure

On 3 June 2019, Afragola FS S.C. a r.l. ("Afragola", wholly-owned by the Group) submitted an application for a separate composition with creditors procedure to the Rome Court as per article 161.6 of the Bankruptcy Law. The Rome Court authorised Afragola's application for the composition with creditors procedure with its ruling of 4 October 2020 filed on 5 November 2020. On 10 March 2021, the creditors' meeting was held and the company's proposal was approved by the majority of the creditors with voting rights pursuant to article 178.4 of the Bankruptcy Law in the following 20 days. On 25 March 2022, the court filed the related authorisation.

Partenopea Finanza di Progetto S.C.p.A.- Separate composition with creditors procedure

Partenopea Finanza di Progetto S.C.p.A. ("PFP", 99% controlled by the Group) received a winding up petition before the Naples Court on 6 February 2019. As it did not have sufficient funds to cover its debts (its main asset is a financial asset with Astaldi that cannot be collected given Astaldi's composition with creditors procedure), it in turn filed an appeal pursuant to article 161.6 of the Bankruptcy Law with the Naples Court. The court authorised PFP's composition with creditors procedure with its ruling of 21 October 2020 and appointed the judicial receiver in charge of selling the company's assets and distributing the proceeds to its creditors.

Civil litigation

Metro C (Italy)

Actions related to default of the implementing act:

Opposition proceedings against the order for payment- Appeal against the first level ruling

Metro C (Webuild's investment: 34.5%) applied for and obtained an order from the Rome Court against Roma Metropolitane for payment of the amounts provided for in the implementing act of September 2013 (€296 million) in January 2014. Roma Metropolitane, which had paid roughly €224 million to Metro C during the proceedings, opposed the order. In April 2021, an additional €16 million was received. Therefore, at the date of preparation of this report, Metro C has collected €240 million. Given that it has received only part of the amount outstanding, Metro C has continued to claim the remainder of approximately €56 million plus default interest. The Rome Court overturned the order for payment on 15 June 2018 and dismissed Metro C's payment application for the remainder. Metro C has appealed against this ruling and the related proceedings are pending before the Rome Appeal Court.

Action for damages due to the customer's unlawful acts

Metro C commenced an action for damages with its claim form of 21 May 2019 against Roma Metropolitane and Roma Capitale for unjustly incurred financial charges and damage caused by the non-payment of the sums due under the implementing act of September 2013 referred to in point 1a) as well as the unlawful deductions applied by Roma Metropolitane. Metro C has claimed damages of approximately €55 million for the reasons cited in the claims form, based on an appraisal, in addition to another €18 million for the deductions made by Roma Metropolitane as arbitrary claims for refunds of the new prices agreed and paid during the contract term.

The court appointed an expert which prepared its report finding that the deductions made by Roma Metropolitane of a net amount of around €2.2 million are incorrect and should, therefore, be returned in full to the general contractor.

As the pre-trial stage has been completed, the proceedings are before the judge for their ruling.

Unforeseen costs have been incurred and Metro C has accordingly presented its request for additional consideration. The costs are included in the measurement of contract assets and liabilities for the part deemed highly probable to be recovered, based also on the opinions of the Group's advisors. Note 13 to the condensed interim consolidated financial statements provides more information about the additional consideration recognised under contract assets and liabilities. The Group cannot exclude that currently unforeseeable events may arise in the future which could require changes to the assessments made to date.

CO.MERI (SS-106 state road Jonica, Lot DG–21) (Italy)

As part of the dispute about the construction of E-90, the section of SS-106 state road Jonica from the Squillace Interchange (km 178+350) to the Simeri Crichi Interchange, on 29 October 2020, the Rome Appeal Court entirely rejected the appeal presented by the customer ANAS against the arbitration award of 28 October 2013 which found that CO.MERI was to be paid approximately €103 million plus the legally required amounts. ANAS has appealed to the Supreme Court, which rejected ANAS' appeal with its ruling published on 13 January 2023. Therefore, the dispute can be considered concluded once and for all and the sums, no longer returnable, collected definitively.

Alto Piura hydroelctric project (Peru)

The Obrainsa Astaldi joint venture was awarded the contract to build the Alto Piura hydroelectric project with the customer PEIHAP (Proyecto Especial de Irrigacion e Hidroenergetico del Alto Piura). On 23 October 2018, the customer terminated the contract and the joint venture commenced a number of local arbitration proceedings before the arbitration centre of the Piura Chamber of Commerce (Centro de Arbitraje de la Camara de Comercio di Piura) against PEIHAP for approximately €24 million (Astaldi's share: €12 million). The customer presented its counterclaim for €56 million, mainly for alleged indirect damages. The first four arbitration hearings have ruled in favour of the joint venture, awarding it €6.2 million.

On 1 September 2021, PEIHAP enforced a guarantee for the return of contract advances of USD7.1 million provided by Astaldi. The Peruvian legal advisors immediately requested and obtained a provisional measure from the arbitration tribunal to block payment of the guarantee and this tribunal confirmed the measure on 6 December 2021 until the award is handed down on the arbitration proceedings.

With respect to the above dispute, supported by the opinions of the Group's legal advisors, the directors deem the risk of losing the case is possible, leading to additional costs to those already provided for in the condensed interim consolidated financial statements

Arturo Merino Benítez International Airport in Santiago (ICC arbitration no. 25888/GR)

On 12 March 2015, the Minister of Public Works (Mnisterio de Obras Públicas), as grantor, awarded the concession for the construction, restructuring, maintenance and operation of Arturo Merico Benítez International Airport in Santiago to Sociedad Concesionaria Nuevo Pudahuel S.A. ("NPU"), 45% owned by Aéroports de Paris, 40% by VINCI Airports and 15% by Astaldi Concessioni (now transferred to the separate unit). NPU subsequently awarded an EPC contract to a joint venture comprising the Chilean branches of Astaldi and VINCI Construction Grands Projets (VCGP) and a joint venture in which VCGP has an interest (the "JV") to design, build and restructure the airport. Due to the grantor's delay in approving the definitive designs prepared by the contractor, the contract was immediately beset by serious delays, generating additional costs for the joint venture. In addition, there were generalised difficulties in planning the work activities leading to the lack of productivity and significant diseconomies as a result of the continued interruptions in the approval process.

Astaldi found that the leader VCGP had immediately imposed a contract strategy which was not favourable to the operator NPU. This management model and the operating decisions taken, most of which Astaldi did not agree with, meant the contract outcome decreased over time. VCGP continued to refuse the proposals made by Astaldi over the contract term to improve its management and make the processes more efficient. In the meantime, Astaldi found itself in financial difficulties which led to its application for a composition with creditors procedure and meant it was unable to cover the joint venture's significant funding requirements. VCGP agreed to provide the joint venture with Astaldi's share of the funding as per the terms of an interim agreement.

Astaldi holds that the conflict of interest between VCGP and the group company VINCI Airports, which has a 40% interest in NPU, meant that it could not apply to NPU or the Ministry for the immediate cover of the higher costs incurred.

At the end of 2020, VCGP exercised its right to withdraw from the interim agreement. Its formal reason for this was the positive conclusion of Astaldi's composition with creditors procedure and subsequent capital increase of 5 November 2020. VCGP requested Astaldi return the funding provided to the joint venture (and interest thereon) by VCGP on its behalf of around €38 million.

As Astaldi deems that the joint venture's difficulties were caused by its bad management unilaterally decided upon by the leader (VCGP) and given that its proposal to settle the dispute amicably was rejected, it challenged VCGP's request and presented an application for arbitration to the International Chamber of Commerce against its partner VCGP at the end of 2020. It requested that VCGP cover all the costs of its management decisions and to hold Astaldi harmless from any other risks arising from the contract.

VCGP objected that Astaldi had defaulted and announced that it was excluded from the joint venture.

As part of the same dispute, VCGP filed an appeal with the Rome Court in April 2021 for the preventive attachment of Astaldi's real estate, movable property and receivables for €37.2 million, plus interest, as protection for its alleged claim related to the share of the funding given to the joint venture that it has counterclaimed in the arbitration proceeding commenced by Astaldi. Before the judge handed down their measure, VCGP filed an application to waive the preventive attachment and the judge declared the proceedings to be terminated on 11 October 2022.

At the end of October 2021, VINCI Agencia en Chile presented an application for the preventive attachment of €56 million to the Chilean courts against Astaldi Sucursal Chile. The relevant court rejected this application.

Astaldi was notified by VCGP by registered letter received on 1 July 2021 that the latter has sued Astaldi's chairperson and CEO and the same Astaldi as the party civilly liable (for the symbolic amount of €1 as compensation plus the costs of publishing the ruling and payment of another €20 thousand) before the Nanterre Court in France for the alleged crime of public defamation under the French Criminal Code.

Based on the documentation received, the alleged defamation took place with the publication of the 2020 Annual Report which described the ongoing dispute with VCGP and the complaints made by Astaldi Group (like above). According to VCGP, these complaints were seriously defamatory and prejudicial.

Assisted by their expert advisors, Astaldi and its two directors deem that VCGP's allegations are completely unfounded at factual level as well as legally. They have taken the appropriate legal action.

VCGP has also sued Webuild and its chairperson as part of the same criminal proceeding and for the same reasons.

In October 2022, VCGP dropped the public defamation charges against all the parties involved.

On 25 November 2021, VCGP filed a new arbitration application (ICC no. 26708/PAR) against Webuild (wrongly considering it to be Astaldi's successor), requesting that Webuild be ordered to pay Astaldi's cash calls and the funding advanced by VCGP on Astaldi's behalf for the Santiago de Chile Airport of €52 million and that the two proceedings be joined. The ICC joined the two proceedings and set up a new arbitration tribunal. At the date of preparation of this report, the arbitration proceedings are at an initial phase.

Webuild appeared in the arbitration proceedings contesting both the legitimacy of the arbitration tribunal to hear the dispute given the absence of a valid and effective arbitration clause against it and contesting the merits of all the charges made by VCGP against it. The proceedings are underway.

In addition, on 2 November 2021, VCGP obtained the preventive attachment of Webuild's French accounts of €38.8 million and managed to have €1.8 million frozen.

On 27 March 2023, VCGP requested and obtained the preventive attachment of all Webuild's French accounts with all its banks and especially BNP Paribas for Astaldi's alleged liabilities for the Santiago de Chile Airport. On 17 May 2023, it managed to have €7.8 million held in two accounts held jointly with NGE frozen. Webuild immediately filed an appeal for the cancellation of these attachments.

ESO E-ELT (European Extremely Large Telescope) Observatory (Chile)

On 3 December 2018, Astaldi's joint venture partner Cimolai claimed Astaldi had defaulted on the commitments made under the deed of partnership and thus requested its investment in the joint venture be diluted to 0.01%. On 5 December 2018, Astaldi disputed Cimolai's claim as being ungrounded and unlawful. On 17 June 2019, Cimolai commenced arbitration proceedings, claiming damages of roughly €100 million. Astaldi deems all claims to be unfounded and has requested payment of damages of €6.5 million.

The arbitration tribunal decided that an expert was to be appointed to analyse certain technical and accounting issues with its order of 7 October 2020. In an attempt to amicably resolve the dispute, Cimolai and Astaldi asked the arbitration tribunal to suspend the proceedings. The arbitration tribunal granted the suspension and the next hearing takes place at the end of September 2023.

With respect to the above dispute, supported by the opinions of the Group's legal advisors, the directors deem the risk of losing the case is possible, leading to additional costs to those already provided for in the condensed interim consolidated financial statements.

Chacayes hydroelectric plant (Chile)

In October 2008, Pacific Hydro Chacayes S.A. and Constructora Astaldi Cachapoal Ltda. signed an EPC contract for the design, procurement and construction of the Chacayes hydroelectric plant in Chile. In August 2017, Pacific Hydro Chacayes S.A. applied for arbitration against Constructora Astaldi Cachapoal Ltda. and Astaldi for their alleged breach of the EPC contract. It noted that one of the structures of the hydroelectric plant collapsed (the emergency spillway) in February 2016 and, therefore, before Astaldi's composition with creditors procedure. Pacific Hydro has claimed damages of USD50 million.

On 10 December 2021, the arbitration tribunal issued its final award ordering Astaldi and Constructora Astaldi Cachapoal Ltda to pay USD30.7 million.

The legal advisors have filed an application for the cancellation of the award within the due terms with the Santiago Appeal Court.

With respect to the above dispute, supported by the opinions of the Group's legal advisors, the directors deem the risk of losing the case is possible, leading to additional costs to those already provided for in the consolidated financial statements.

Felix Bulnes Hospital (Chile)

In January 2019, Sociedad Concesionaria Metropolitana de Salud S.A. ("SCMS") unduly terminated the construction contract after requesting the guarantees of €30 million be enforced. The contractor, Astaldi Succursal Chile, challenged the termination and requested arbitration before the Santiago Chamber of Commerce, claiming that termination was unlawful, payment for the work performed, compensation for damage and lost profit and return of the enforced guarantees for a total of around €103 million. SCMA presented its counterclaim for €70 million. The final award was notified to the parties on 4 January 2022, rejecting Astaldi's claims and ordering Astaldi Sucursal Chile to pay SCMS approximately €111 million. Astaldi Succursal Chile has appealed against the award to the competent Appeal Court.

With respect to the above dispute, supported by the opinions of the Group's legal advisors, the directors deem the risk of losing the case is possible, leading to additional costs to those already provided for in the condensed interim consolidated financial statements.

I-405 Expressway (USA)

Astaldi Construction Corporation ("ACC") was assigned this contract as part of a joint venture with the Spanish company Obrascón Huarte Lain S.A. ("OHL") which presented an arbitration application requesting that ACC be excluded from the joint venture on 16 June 2021. It claims that both ACC and Astaldi (its parent and guarantor) are insolvent. This application was made years after Astaldi commenced its composition with creditors procedure.

The arbitration complies with the Construction Industry Arbitration Rules of the American Arbitration Association (jurisdiction of New York, state of New York law). ACC has challenged OHL's claims and has requested in turn that OHL be excluded from the joint venture for the same reasons as it appears that the Spanish company is in severe financial difficulties according to news in the specialist press and verified by Astaldi's US-based legal advisors. The arbitration tribunal has been constituted and the proceeding is underway.

Railway project E-59 (Poland)

On 27 September 2018, Astaldi notified the customer (PKP, Polskie Linie Koejowe S.A.) of the termination of the contract due to the extraordinary and unforeseeable change in the works performance as evidenced by the abnormal increase in materials and labour costs, as well as the serious unavailability of materials, services and labour on the market, including rail transport of construction materials.

On 5 October 2018, the customer replied by terminating the contract alleging the contractor's default and requesting payment of the fine (PLN130.9 million; €29 million) and enforcing the guarantees totalling €18.8 million (including the advance payment bond). On 7 February 2019, PKP filed a petition with the Warsaw Court, requesting the payment of fines of PLN87.25 million (€19 million), net of the enforced performance bond (€9.4 million). The customer also requested repayment of PLN8.1 million (including interest) (€1.8 million) it had paid to the subcontractors. Astaldi filed its defence brief on 2 December 2019 and the first level ruling is still pending.

With respect to the above dispute, supported by the opinions of the Group's legal advisors, the directors deem the risk of losing the case is possible, leading to additional costs to those already provided for in the condensed interim consolidated financial statements.

Following the termination of the contract, Astaldi filed a claim before the Warsaw Court on 17 March 2020 for the non-payment of work performed and certified worth PLN17.6 million (€4 million). Subsequently, it filed an additional claim on 26 May 2020 requesting payment of a further PLN16.8 million (€3.9 million, of which €1.3 million for unpaid invoices and €2.6 million for work performed but not certified). The proceeding is underway.

Railway project 7, Dęblin- Lublin line (Poland)

On 27 September 2018, as leader of the consortium (94.98% share) set up to develop the Dęblin-Lublin railway line, Astaldi notified the customer (PKP, Polskie Linie Koejowe S.A.) of the termination of the contract due to the extraordinary and unforeseeable change in the works performance as evidenced by the abnormal increase in materials and labour costs, as well as the serious unavailability of materials, services and labour on the market, including rail transport of construction materials.

On 5 October 2018, the customer replied by terminating the contract alleging the consortium's default and requesting payment of the fine (PLN248.7 million; €55 million) and enforcing the guarantees totalling €43.3 million (including the advance payment bond). On 7 February 2019, PKP filed a petition with the Warsaw Court, requesting the payment of fines of PLN155.6 million (€34.4 million), net of the enforced performance bond (€21.7 million). The customer also requested repayment of PLN66.8 million (€15 million, including interest) it had paid to the subcontractors.

With respect to the above dispute, supported by the opinions of the Group's legal advisors, the directors deem the risk of losing the case is possible, leading to additional costs to those already provided for in the condensed interim consolidated financial statements.

Astaldi filed its defence brief on 2 December 2019 and the first level ruling is still pending. Following termination of the contract, Astaldi presented its claim to the Warsaw Court for non-payment of work performed and certified by the works manager of PLN37.9 million (€8.4 million). It subsequently filed a second claim on 26 May 2020 requesting payment of a further PLN135.3 million (€30 million) for work performed but not certified. The proceeding is underway.

E60 Zemo Osiauri- Chumateleti (Georgia)

Due to the customer's default, Astaldi notified termination of the contract on 22 November 2018 and commenced an arbitration proceeding before the ICC requesting the contractual termination be found to be legitimate and reimbursement of the higher charges and costs due to the customer's contractual breaches. In

December 2018, the customer responded by enforcing the guarantees for a total of €24.1 million. The arbitration proceeding also includes the application for the return of the enforced performance bond of €12 million.

On 1 April 2022, the ICC handed down the final award finding Astaldi's termination of the contract to be illegitimate and ordering it to pay the customer roughly €15 million. Astaldi has given its legal advisors a mandate to appeal the award before the Paris (France) arbitration tribunal.

Criminal litigation

Investigations related to Ospedale del Mare di Napoli (Italy)

In January 2021, the ceiling of a reinforced concrete building in the car park of Ospedale del Mare di Napoli collapsed. As a result, the Naples public prosecutor is carrying out an investigation to ascertain the causes and accountability. In order to carry out the necessary unrepeatable technical checks, the public prosecutor included in the register of suspects for the crime of negligent collapse all the parties involved in various capacities in the development of the project, including some former Astaldi managers and employees. The technical inspections were completed in November 2022 and the public prosecutor's experts filed the report, which found no substantial liabilities of the contractor and allocates possible responsibility for the incident to the inspectors and designers.

The public prosecutor applied for the case to be dismissed due to its lack of grounds on 12 July 2023.

Country risk

Libya

Webuild operates in Libya through a permanent establishment and a subsidiary, Impregilo Lidco Libya General Contracting Company ("Impregilo Lidco"), which has been active in Libya since 2009 and is 60% owned by Webuild with the other 40% held by a local partner.

The directors do not deem that significant risks exist with respect to the permanent establishment's contracts as work thereon has not started, except for the Koufra Airport project worth €64 million. Moreover, the Group's exposure for that project is not material. The Group is also involved in the Libyan Coastal Highway project (€1.1 billion) which leads to the Egyptian border for the stretch through Cyrenaica, which had not yet been started at the reporting date.

Impregilo Lidco had been awarded important contracts for LYD2 billion.

They related to the construction of:

- infrastructural works in Tripoli and Misuratah;
- university campuses in Misuratah, Tarhunah and Zliten;
- a new Conference Hall in Tripoli.

Due to the dramatic political and social events that materialised in Libya from 2011, the subsidiary was obliged due to force majeure to suspend work on the contracts before they even started. Despite this, Webuild has always acted in accordance with the contractual terms.

This political upheaval has not yet subsided, impeding the subsidiary from developing its business. At present, Webuild does not expect activities to be resumed in the near future as there are serious security problems.

Impregilo Lidco continues to be present in Libya and to maintain contacts with its customers, complying promptly with legal and corporate requirements. It informed its customers immediately of the activation of the force majeure clause (provided for contractually).

The customers have acknowledged the contractual rights and the validity of the claims presented for the costs, losses and damages incurred as a result of the above-mentioned unrest. Once the local situation has normalised and the country's institutions are working again, these claims will be discussed with the customers. During the first half of 2023, the subsidiary continued to liaise with its customers but production activities have not recommenced.

The impairment losses on net assets and costs incurred starting from the 2012 financial statements are fully included in contract liabilities. The subsidiary has presented claims to the customers for these amounts, which it deems are fully recoverable as they are due to force majeure.

The subsidiary's legal advisors agree with this approach as can be seen in their reports.

No significant risks are deemed to exist for the recovery of the net assets attributable to the subsidiary, thanks in part to actions and claims filed against the customers.

As this country's situation continues to be complex and critical, the Group does not expect that operations can be resumed in the short term.

On 10 March 2021, the House of Representatives in Tobruk met at Sirte and approved the interim government of national accord led by the Prime Minister Abdul Hamid Ddeibah. The government has won a vote of confidence to lead the country until new elections.

Webuild will continue to guarantee the subsidiary's business continuity. However, it cannot be excluded that events which cannot currently be foreseen may take place after the date of preparation of this report that require changes to the assessments made to date.

Nigeria

Nigeria has recently held presidential and gubernatorial elections and the incoming president and his government assumed office at the end of May 2023.

The cost of raw materials soared in 2022 while the Central Bank of Nigeria (CBN) devalued the Naira by roughly 70% in response to the immediate measures adopted by the new president. This recessionary phase has triggered a rise in criminality and poverty with the related higher security risks.

The Group is present in Nigeria via its subsidiaries Salini Nigeria Limited (eight contracts), PGH Ltd. and Rivigo JV (Nigeria) Ltd. (a joint venture with Rivers State for the Ogoni contract in which the Group has a 70% stake). The projects are affected by the customers' limited financial resources, which has led to delays.

Work is being carried out for the Suleja-Minna Road (the main thoroughfare for the state of Niger), the Inner Northern Expressway and the Inner Southern Expressway (main roads in the Abuja network).

Another factor holding back recommencement of the works is the need to approve variations for the increase in unit prices or commissions for price variations and/or currency fluctuations for some of the ongoing projects.

Moreover, the Group cannot exclude that events which cannot currently be foreseen may take place after the date of preparation of this report that require changes to the assessments made to date.

Argentina

In recession since 2018, this country's challenging macroeconomic situation has been worsened by the global health emergency caused by Covid-19.

The economic slump, the containment measures put in place to deal with the pandemic and the drop in global demand have not helped the country's ongoing recession. According to the World Bank, Argentina is one of the Latin American countries that has lost the most wealth.

The additional hike in the inflation rate is partly due to the government's decision to contain the peso's devaluation through restrictive measures on the currency market.

The government reached an agreement with the IMF to restructure its public debt in the first few months of 2022. This agreement provides for the receipt of USD40,000 million over 30 months against Argentina's commitment to enact important structural macroeconomic reforms. According to the IMF's staff report of 1 April 2023, after the fourth review of the agreement, Argentina met all the quantitative performance objectives through end-December 2022, supported by firmer macroeconomic policy implementation in the second half of 2022.

The Group is carrying out two projects in Argentina mostly funded by the World Bank: a hydraulic tunnel (lot 3) and a wastewater pre-treatment plant (lot 2), both of which are part of a mega project for the environmental restoration of the Matanza Riachuelo River Basin in the Buenos Aires Metropolitan Area. These projects have continued despite the country's difficult macroeconomic situation. On 30 November 2022, the customer issued the provisional acceptance certificate for lot 3.

Other information

Research and development

Webuild carried out industrial research and experimental development activities during the first half of 2023. These activities enabled the acquisition of new know-how and improvement of production efficiency, which will improve the parent's competitive edge. Information about the main R&D projects is provided in the annual Consolidated Non-financial Statements.

Compliance with the conditions of article 15 of the Stock Exchange Regulation

Webuild confirms that it complies with the conditions of article 15 of Consob regulation no. 20249 ("Regulation on markets"), based on the procedures adopted before article 15 was effective and the availability of the related information.

Repurchase of treasury shares

During their ordinary meeting of 27 April 2023, the parent's shareholders authorised the board of directors to adopt a treasury share repurchase plan as per the terms and methods approved by them (available in the "Shareholders' meeting" part of the "Governance" section on the parent's website www.webuildgroup.com).

At 30 June 2023, the parent had 19,185,520 treasury shares.

Related parties

Reference should be made to note 37 to the condensed interim consolidated financial statements for a description of related party transactions.

On behalf of the board of directors

Chairperson

(signed on the original)

Condensed interim consolidated financial statements at 30 June 2023

Condensed interim consolidated financial statements

Statement of financial position

ASSETS (€'000)	Note	31 December 2022	of which: related parties	30 June 2023	of which: related parties
Non-current assets					
Property, plant and equipment	7.1	710,267		728,755	
Right-of-use assets	7.2	113,541		126,023	
Intangible assets	7.3	373,974		412,261	
Goodwill	8	82,884		81,498	
Equity-accounted investments	9.1	697,799		677,055	
Other equity investments	9.2	80,575		80,516	
Other non-current financial assets including derivatives	10	518,439	289,999	513,551	303,444
Deferred tax assets	11	346,289		372,724	
Total non-current assets		**2,923,768**		**2,992,383**	
Current assets					
Inventories	12	248,809		261,933	
Contract assets	13	3,199,971		3,955,849	
Trade receivables	14	2,886,106	469,335	3,326,765	454,334
Current financial assets including derivatives	15	441,632	72,427	481,433	94,776
Current tax assets	16	90,499		84,824	
Other current tax assets	16	234,236		311,900	
Other current assets	17	916,445	36,150	944,870	21,073
Cash and cash equivalents	18	1,921,177		2,114,390	
Total current assets		**9,938,875**		**11,481,964**	
Non-current assets held for sale and disposal groups	19	14,540		21,161	4,505
Total assets		**12,877,183**		**14,495,508**	

Statement of financial position

EQUITY AND LIABILITIES (€'000)	Note	31 December 2022	of which: related parties	30 June 2023	of which: related parties
Equity					
Share capital		600,000		600,000	
Share premium reserve		367,763		367,763	
Other reserves		265,939		257,523	
Other comprehensive expense		(148,722)		(238,804)	
Retained earnings		483,836		448,813	
Profit (loss) for the period/year		9,893		(33,054)	
Equity attributable to the owners of the parent		**1,578,709**		**1,402,241**	
Non-controlling interests		356,365		323,394	
Total equity	20	**1,935,074**		**1,725,635**	
Non-current liabilities					
Bank and other loans and borrowings	21	276,267	6,309	225,224	6,719
Bonds	22	1,886,549		1,888,246	
Lease liabilities	23	68,829		79,635	
Post-employment benefits and other employee benefits	25	52,606		52,774	
Deferred tax liabilities	11	58,060		78,992	
Provisions for risks	26	198,879		196,612	
Total non-current liabilities		**2,541,190**		**2,521,483**	
Current liabilities					
Current portion of bank loans and borrowings and current account facilities	21	297,419	13,382	359,630	11,276
Current portion of bonds	22	18,506		47,813	
Current portion of lease liabilities	23	71,721		70,792	
Contract liabilities	13	3,311,689		4,642,191	
Trade payables	27	3,891,729	242,075	4,268,531	216,676
Current tax liabilities	28	85,334		93,636	
Other current tax liabilities	28	90,181		78,218	
Other current liabilities	29	620,648	62,852	673,958	51,187
Total current liabilities		**8,387,227**		**10,234,769**	
Liabilities directly associated with non-current assets held for sale	19	13,692		13,621	
Total equity and liabilities		**12,877,183**		**14,495,508**	

Statement of profit or loss

(€'000)	Note	1st half 2022	of which: related parties	1st half 2023	of which: related parties
Revenue					
Revenue from contracts with customers	31	3,637,002	94,254	4,308,898	107,990
Other income	31	198,479	30,610	227,138	20,283
Total revenue and other income		**3,835,481**		**4,536,036**	
Operating expenses					
Purchases	32	(636,150)	(372)	(797,450)	(229)
Subcontracts	32	(1,160,871)	(9,522)	(1,395,746)	(782)
Services	32	(947,111)	(105,952)	(1,024,653)	(107,815)
Personnel expenses	32	(667,613)	(17)	(847,288)	(58)
Other operating expenses	32	(168,067)	(2,672)	(178,960)	(7,843)
Net impairment losses	32	(53,775)		(526)	
Amortisation, depreciation and provisions	32	(162,503)		(183,060)	
Total operating expenses		**(3,796,090)**		**(4,427,683)**	
Operating profit		**39,391**		**108,353**	
Financing income (costs) and gains (losses) on equity investments					
Financial income	33.1	66,724	8,960	32,331	8,357
Financial expense	33.2	(88,884)	(2,751)	(110,681)	(1,589)
Net exchange gains	33.3	71,698		10,206	
Net financing income (costs)		49,538		(68,144)	
Net losses on equity investments	34	(4,407)		(27,640)	
Net financing income (costs) and net losses on equity investments		**45,131**		**(95,784)**	
Profit before tax		**84,522**		**12,569**	
Income taxes	35	(51,505)		(40,651)	
Profit (loss) from continuing operations		**33,017**		**(28,082)**	
Loss from discontinued operations	19	(14,765)		(620)	
Profit (loss) for the period		**18,252**		**(28,702)**	
Profit (loss) for the period attributable to:					
Owners of the parent		(5,571)		(33,054)	
Non-controlling interests		23,823		4,352	

Statement of comprehensive income

(€'000)	Note	1st half 2022	1st half 2023
Profit (loss) for the period (a)		**18,252**	**(28,702)**
Items that may be subsequently reclassified to profit or loss, net of the tax effect:			
Net exchange gains (losses) on the translation of foreign companies' financial statements	20	50,183	(82,034)
Net gains on cash flow hedges	20	934	266
Other comprehensive income (expense) related to equity-accounted investees	20	48,174	(16,289)
Items that may not be subsequently reclassified to profit or loss, net of the tax effect:			
Net actuarial gains (losses) on defined benefit plans	20	(1,930)	659
Other comprehensive income (expense) (b)		**97,361**	**(97,398)**
Comprehensive income (expense) (a) + (b)		**115,613**	**(126,100)**

Comprehensive income (expense) attributable to:			
Owners of the parent		77,962	(123,136)
Non-controlling interests		37,651	(2,964)

Earnings (loss) per share (Euro per share)			
From continuing and discontinued operations	36		
Basic		0.01	(0.03)
Diluted		(0.01)	(0.03)
From continuing operations	36		
Basic		0.01	(0.03)
Diluted		(0.01)	(0.03)

Statement of cash flows

(€'000)	Note	First half 2022	1st half 2023
Operating activities			
Profit (loss) from continuing operations		33,018	(28,083)
adjusted by:			
Amortisation of intangible assets	32	55,361	49,536
Depreciation of property, plant and equipment and right-of-use assets	32	117,315	131,901
Net impairment losses and provisions		43,601	2,149
Accrual for post-employment benefits and employee benefits	25	10,889	13,632
Net gains on the sale of assets		(7,637)	(5,939)
Deferred taxes	35	(3,470)	(21,738)
Share of losses of equity-accounted investees	9- 26	4,293	27,709
Income taxes	35	54,975	62,388
Net exchange gains	33	(71,697)	(10,205)
Net financial expense	33	22,160	78,351
Other non-monetary items		36,116	(79,082)
		294,923	**220,621**
Increase in inventories and contract assets		(343,340)	(867,696)
Increase in trade receivables		(291,036)	(202,168)
(Decrease) increase in contract liabilities		(720,486)	1,448,892
Increase in trade payables		507,084	190,940
Decrease (increase) in other assets/liabilities		23,193	(70,891)
Total changes in working capital		**(824,585)**	**499,077**
Increase in other items not included in working capital		(17,060)	(129,352)
Financial income collected		22,206	17,863
Interest expense paid		(30,721)	(41,025)
Income taxes paid		(106,784)	(29,822)
Cash flows generated by (used in) operating activities		**(662,022)**	**537,362**

(€'000)	Note	1st half 2022	1st half 2023
Investing activities			
Investments in intangible assets	7.3	(6,250)	(3,348)
Investments in property, plant and machinery	7.1- 7.2	(127,591)	(139,255)
Proceeds from the sale or reimbursement value of property, plant and equipment and intangible assets		21,330	17,578
Investments in non-current financial assets and capital transactions	9	(12,522)	-
Dividends and capital repayments from equity-accounted investees	9	9,954	6,071
Proceeds from the sale or reimbursement value of non-current financial assets		(754)	(24,448)
Cash and cash equivalents from change in consolidation scope		74	292
Acquisitions of subsidiaries and business units net of cash and cash equivalents		-	(18,100)
Cash flows used in investing activities		**(115,760)**	**(161,210)**
Financing activities			
Dividends distributed	20	(62,301)	(60,246)
Repurchase of treasury shares		(19,558)	(2,405)
Exercise of lender warrants		-	5,423
Change in investments in subsidiaries		-	(3,128)
Capital injection by non-controlling interests in subsidiaries		9,237	13
Increase in bank and other loans	21	1,213,995	948,794
Decrease in bank and other loans	21	(1,140,868)	(934,155)
Decrease in lease liabilities	23	(50,231)	(34,327)
Change in other financial assets/liabilities		(64,760)	(82,278)
Cash flows used in financing activities		**(114,486)**	**(162,308)**
Net exchange gains (losses) on cash and cash equivalents		**52,256**	**(25,453)**
Increase (decrease) in cash and cash equivalents		**(840,010)**	**188,390**
Cash and cash equivalents	18	2,370,032	1,921,177
Current account facilities	21	(13,244)	(2,452)
Total opening cash and cash equivalents		**2,356,788**	**1,918,725**
Cash and cash equivalents	18	1,520,000	2,114,390
Current account facilities	21	(3,222)	(7,275)
Total closing cash and cash equivalents		**1,516,778**	**2,107,115**

Statement of changes in equity

(€'000)		Share capital	Share premium reserve	Other reserves: Legal reserve	Share capital increase related charges	IFRS 2 reserve	Reserve for treasury shares	Inflation reserve	Extraordinary and other reserves	Total other reserves	Other comprehensive income (expense): Translation reserve	Hedging reserve	Actuarial reserve	Fair value reserve	Total other comprehensive income (expense)	Retained earnings	Profit (loss) for the period	Equity attributable to the owners of the parent	Non-controlling interests	Total
As at 1 January 2022	20	600,000	367,763	120,000	(10,988)	76,525	(10,342)	73,570	136	248,901	(178,859)	1,788	7,251	-	(169,819)	845,412	(304,949)	1,587,308	272,291	1,859,599
Allocation of profit and reserves	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(304,949)	304,949	-	-	-
Dividend distribution	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(54,217)	-	(54,217)	-	(54,217)
Change in consolidation scope	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(6,555)	-	(6,555)	(6,250)	(12,805)
Repurchase of treasury shares	20	-	-	-	-	-	(19,559)	-	-	(19,559)	-	-	-	-	-	-	-	(19,559)	-	(19,559)
Long-term incentive plan	20	-	-	-	-	3,361	-	-	-	3,361	-	-	-	-	-	-	-	3,361	-	3,361
Capital increase	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,237	9,237
Other changes and reclassifications	20	-	-	-	-	(3,329)	-	21,203	-	17,873	-	-	-	-	-	*4,244*	-	22,117	2,941	25,058
Dividend distribution to non-controlling interests	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(8,084)	(8,084)
Profit for the period	*20*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	*(5,571)*	*(5,571)*	*23,823*	*18,252*
Other comprehensive income	*20*	-	-	-	-	-	-	-	-	-	*81,705*	*3,757*	*(1,930)*	-	*83,532*	-	-	*83,532*	*13,829*	*97,361*
Comprehensive income	*20*	-	-	-	-	-	-	-	-	-	*81,705*	*3,757*	*(1,930)*	-	*83,532*	-	*(5,571)*	77,961	*37,651*	115,612
As at 30 June 2022	20	600,000	367,763	120,000	(10,988)	76,557	(29,901)	94,773	136	250,577	(97,154)	5,545	5,321	-	(86,287)	483,935	(5,571)	1,610,417	307,786	1,918,203
As at 1 January 2023	20	600,000	367,763	120,000	(10,988)	83,456	(34,914)	108,249	136	265,939	(156,437)	3,009	4,706	-	(148,722)	483,836	9,893	1,578,709	356,365	1,935,074
Allocation of profit and reserves	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,893	(9,893)	-	-	-
Dividend distribution	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(55,954)	-	(55,954)	-	(55,954)
Change in consolidation scope	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(8,550)	-	(8,550)	(41,648)	(50,199)
Repurchase of treasury shares	20	-	-	-	-	-	(2,405)	-	-	(2,405)	-	-	-	-	-	-	-	(2,405)	-	(2,405)
Long-term incentive plan	20	-	-	-	-	(11,941)	-	-	-	(11,941)	-	-	-	-	-	-	-	(11,941)	-	(11,941)
Capital increase	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,065	14,065
Other changes and reclassifications	20	-	-	-	-	(13,987)	-	19,917	-	5,930	-	-	-	-	-	19,588	-	25,518	1,869	27,387
Dividend distribution to non-controlling interests	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,292)	(4,292)
Loss for the period	*20*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	*(33,054)*	(33,054)	4,352	(28,702)
Other comprehensive expense	*20*	-	-	-	-	-	-	-	-	-	*(90,391)*	*(349)*	*658*	-	(90,082)	-	-	(90,082)	(7,316)	(97,398)
Comprehensive expense	*20*	-	-	-	-	-	-	-	-	-	*(90,391)*	*(349)*	*658*	-	*(90,082)*	-	*(33,054)*	(123,136)	*(2,965)*	(126,101)
As at 30 June 2023	20	600,000	367,763	120,000	(10,988)	57,527	(37,319)	128,167	136	257,523	(246,828)	2,660	5,364	-	(238,804	448,813	(33,054)	1,402,241	323,394	1,725,635

Notes to the condensed interim consolidated financial statements

1. Basis of preparation

Webuild S.p.A. (the “parent” or “Webuild”) has its registered office in Rozzano (Milan) and is listed on the Milan Stock Exchange. These condensed interim consolidated financial as at and for the six months ended 30 June 2023 include the financial statements of the parent and its subsidiaries (the “Group”). Webuild is a major global operator specialised in building large complex infrastructure, market leader in Italy and one of the main players on the international stage. At the date of preparation of these condensed interim consolidated financial statements, Webuild S.p.A. is managed and coordinated by Salini Costruttori S.p.A..

The condensed interim consolidated financial statements have been drawn up pursuant to IAS 34 - Interim financial reporting on a going concern basis. The basis of consolidation and basis of preparation described in the 2022 Annual Report (to which reference should be made) have been applied to the condensed interim consolidated financial statements, except for the International Financial Reporting Standards (IFRS) that became applicable after 1 January 2023 (disclosed in note 5). The financial statements schedules are presented as a complete set in line with the requirements of IAS 1 - Presentation of financial statements, while the notes thereto have been prepared in a condensed format as allowed by IAS 34. Therefore, they should be read in conjunction with the consolidated financial statements at 31 December 2022.

The parent’s board of directors approved the condensed interim consolidated financial statements on 27 July 2023 and they have been reviewed by KPMG S.p.A.. The figures in the condensed interim consolidated financial statements and notes thereto are in thousands of Euros, unless indicated otherwise.

2. Judgements and complex accounting estimates

Preparation of the condensed interim consolidated financial statements and the related notes in accordance with the IFRS requires management to make judgements and estimates that affect the carrying amount of assets and liabilities and financial statements disclosures. The main estimates are used, inter alia, to recognise:

note 31, contract revenue;

note 32, any impairment losses on assets;

note 32, amortisation and depreciation;

note 32, provisions for risks and charges;

notes 9 and 34, equity investments;

note 8, goodwill;

notes 11 and 35, income taxes;

note 25, employee benefits.

Considering the Group’s sector, the key estimates are those used to determine contract revenue, including claims for additional consideration, total contract costs and the related stage of completion (see the “Contract assets and liabilities” paragraph of the “Basis of preparation - Significant accounting policies” section in the notes to the 2022 consolidated financial statements). A significant part of the Group’s activities is typically performed on the basis of contracts which provide that a specific consideration is agreed when the contract is awarded. This implies that the profits on these contracts may undergo change compared to the original estimates depending on the recoverability of greater expenses and/or costs the Group may incur during performance of such contracts. Recognition of additional consideration by associates or joint ventures may entail adjustment of their equity due to standardisation with the Group's accounting policies.

The accounting estimates and significant judgements made by management to prepare these condensed interim consolidated financial statements are affected by (i) the current macroeconomic scenario characterised by the impacts of inflation, rising interest rates and geopolitical risks associated with the Russia- Ukraine crisis, and (ii) the risks and opportunities of climate change and the energy transition (these issues are discussed in the Directors' report- Part II, to which reference is made). They may have an impact on the Group's financial position, financial performance and cash flows.

Macro-economic context

As already indicated in the Directors' report in respect to the rising raw materials and energy prices, the effect of raw materials prices seen from the first half of 2022 is currently in a stationary and stabilising phase. The Group's approach to its supply chain is to strengthen the previously-implemented mitigation measures such as the identification of alternative procurement solutions and the urgent transfers of plant and equipment from one work site to another. It also closely observes the market in order to adapt its investment strategies to contain prices.

Most of the foreign contracts are drawn up in accordance with the international standards of the International Federation of Consulting Engineers (FIDIC), which provide for price risk mitigation clauses including risks related to changes in the cost of works due to increases in raw materials prices.

The Italian government issued Law no. 91 of 15 July 2022, converting Decree law no. 50 of 17 May 2022 (the Aiuti decree), in the second half of 2022. This confirmed the measures to counter the rise in prices of raw materials, fuel and energy. In addition, Law no. 197 of 29 December 2022 (the 2023 budget act), effective from 1 January 2023, confirmed the measures to update price lists and revise the prices of contract work in progress in order to tackle the exceptional hikes in prices expected for 2023. During preparation of the contract budget, Webuild considered the expected commodity and energy price trends.

The effect of interest rates was not deemed critical enough to significantly affect the impairment tests of assets (goodwill, equity investments and loans and receivables) carried out for the purposes of the consolidated financial statements at 31 December 2022 and updated as part of the check for possible impairment indicators during preparation of the condensed interim consolidated financial statements.

Climate change and energy transition

As mentioned in the Directors' report, transition to a low-carbon economy that is more environmentally sustainable can create risks for companies due to the possible acceleration in the tightening-up of environmental and climate policies, as well as developments in technologies and stakeholders' increasing focus on environmental issues. Moreover, the intensification of climate change phenomena and their impact on the main areas of the value chain are one of the greatest challenges that companies face in the short and medium to long term.

In order to identify and adopt the necessary solutions and tools to (i) minimise the impact of physical risks and (ii) pre-empt transition risks arising on the transition to a low-carbon economy, Webuild continues to include ESG risks in the regular group risk assessment performed by the risk management department.

The utilisation of the up-to-date group 2023 budget that reflects the uncertainties as a basis for the judgements underpinning preparation of the condensed interim consolidated financial statements is essential. The Group's procedures include a planning process split into two parts that take place before the preparation of the annual and interim consolidated financial statements. In this case, the group 2023 budget was prepared considering the current macroeconomic scenario and the results of the climate risk and opportunity assessment.

In particular, the nature, characteristics and short lifecycle (for example in the case of tunnel boring machines-TBMs) of the plant, machinery and equipment used by the Group in its projects need to be considered to assess the risk of obsolescence. Climate change risks were also included in the procedure to detect potential impairment indicators of the Group's main assets (goodwill and equity investments).

Furthermore, fundamental assumptions about the future and other reasons for uncertainty when making the estimates at the reporting date that may lead to material adjustments to the carrying amount of the assets and liabilities are described in the specific section of the Directors' report on the main risk factors and uncertainties.

The actual results may differ from those estimated due to uncertainties underlying the assumptions and the conditions on which the estimates are based.

3. Consolidation scope

The interim financial statements at 30 June 2023 approved by the internal bodies of the consolidated companies, where applicable, have been used for consolidation purposes.

A list of the companies included in the consolidation scope is set out in the "List of Webuild Group companies" annex.

4. Business combinations

Provisional allocation of the transaction price for the assets acquired and liabilities assumed of Clough Group

On 3 February 2023, Webuild signed the contract to acquire assets from the Administrators of Clough Ltd. (Clough). The acquisition perimeter comprises Clough's organisation and more than €4 billion worth of projects (in the order backlog) and the related workforce. The transaction enables Webuild to strengthen its organisational, engineering and workforce structure in Australia, acquire a local presence, benefit from scale and significant synergies and expand and diversify Webuild's business. Following approval from Clough's creditors of Webuild's proposed acquisition of the assets, the Group took over control and management of Clough's activities in Australia and Papua New Guinea on 16 February 2023. This acquisition makes Webuild one of the major operators in the strong, expanding Australian construction market.

Webuild availed of the option allowed by IFRS 3 to provisionally allocate the transaction cost to the fair value of the assets acquired and the liabilities assumed.

The following table summarises the assets and liabilities of Clough Group at the acquisition date and their fair value measured on a provisional basis for the purchase price allocation (PPA) procedure:

(€m)	Carrying amount	Adjustments	Fair value
Non-current assets	27.3	81.3	108.6
- of which intangible assets	6.7	*81.3*	*88.0*
Equity investments	2.2	-	2.2
Deferred tax assets	9.7	-	9.7
Total non-current assets	*39.2*	*81.3*	*120.5*
Contract assets	28.5	-	28.5
Trade receivables	3.3	-	3.3
Other current tax assets	0.5	-	0.5
Other assets	1.9	-	1.9
Cash and cash equivalents	0.9	-	0.9
Total current assets	*35.1*	-	*35.1*
Total assets	***74.3***	***81.3***	***155.6***
Non-current financial liabilities	18.4	-	18.4
Post-employment benefits and other employee benefits	1.1	-	1.1
Deferred tax liabilities	6.9	24.4	31.3
Total non-current liabilities	*26.5*	*24.4*	*50.8*
Trade payables	22.1	-	22.1
Other current liabilities	10.2	-	10.2
Total current liabilities	*32.3*	-	*32.3*
Total liabilities	**58.7**	**24.4**	**83.1**
Net assets acquired	**15.6**	**56.9**	**72.5**

The adjustments related to intangible assets relate to the measurement of Clough's order backlog using the multi-period excess earning method methodology (MEEM), considering the profitability forecasts for the individual projects and a discount rate of 11.3% (WACC).

The difference between the consideration transferred and the net assets acquired is shown below:

(€m)	
Consideration transferred to acquire a controlling interest	19.01
Net assets acquired	(72.5)
Positive difference	**(53.5)**

The difference between the provisionally determined fair value of the net assets acquired and the related consideration transferred for the acquisition has been recognised under other current liabilities because the PPA procedure has not yet been completed (IFRS 3 provides that specific checks of the estimates have to be made).

The acquisition absorbed net cash and cash equivalents of €18.1 million being the difference between the consideration transferred of €19.0 million and the cash acquired of €0.9 million.

Clough's contribution to the statement of profit or loss for the six months ended 30 June 2023 is as follows:

(€m)	1st half 2023
Revenue	152.45
Operating expenses	(148.92)
Net financing income (costs) and net losses on equity investments	(1.96)
Profit before tax	**1.57**

Given that control of Clough Group was acquired on 16 February 2023 after which date its operations were resumed (they had been substantially suspended with the start of the voluntary administration procedure), the Group's revenue and profit for the six months would not have been significantly different had the acquisition date been 1 January 2023.

5. Changes in standards

This section lists the standards, amendments and interpretations published by the IFRS, endorsed by the European Union and applicable since 1 January 2023.

Standard/Interpretation	IASB application date
Amendments to IAS 8- Accounting policies, changes in accounting estimates and errors: definition of accounting estimates (issued on 12 February 2021)	1 January 2023
IFRS 17 (Insurance contracts) issued on 18 May 2017, including the amendments to IFRS 17 (issued on 25 June 2020)	1 January 2023
Amendments to IFRS 17 (Insurance contracts)- Initial application of IFRS 17 and IFRS 9- Comparative information (issued on 9 December 2021)	1 January 2023
Amendments to IAS 12- Income taxes: deferred tax related to assets and liabilities arising from a single transaction (issued on 7 May 2021)	1 January 2023

The adoption of the amendments applicable since 1 January 2023 has not had a significant impact on these condensed interim consolidated financial statements.

The Group has adopted early the Amendments to IAS 1- Presentation of financial statements and IFRS Practice Statement 2: Disclosure of accounting policies (issued on 12 February 2021, whose effective date provided for by the IASB is 1 January 2023) in preparing the disclosures on its accounting policies presented in note 3 to the consolidated financial statements at 31 December 2022.

Published standards and interpretations whose endorsement process has not been completed

The standards, amendments and interpretations published by the IASB and the International Financial Reporting Standards Interpretations Committee (IFRS-IC) but not yet endorsed by the competent EU bodies at the reporting date are set out below:

Standard/Interpretation	IASB application date
Amendments to IAS 12- Income taxes: International tax reform- Pillar Two Model Rules (issued on 23 May 2023)	1 January 2023
Amendments to IAS 1- Presentation of financial statements: ▪ Classification of liabilities as current and non-current (issued on 23 January 2020) and subsequent amendment (issued on 15 July 2020) ▪ Non-current liabilities with covenants (issued on 31 October 2022)	1 January 2024
Amendments to IFRS 16- Leases: Lease liability in a sale and leaseback (issued on 22 September 2022)	1 January 2024

Standard/Interpretation	IASB application date
Amendments to IAS 7 - Statement of cash flows and IFRS 7 - Financial instruments: disclosures- supplier finance arrangements (issued on 25 May 2023)	1 January 2024

6. Segment reporting

Segment reporting is presented by macro geographical region, based on the management review approach adopted by management, for the '"Italy", "Abroad" and "Lane Group" operating segments.

"Corporate" costs relate to:

- planning of human and financial resources;
- coordination and assistance with the group companies' administrative, tax, legal/corporate and institutional and business communications requirements.

These costs amounted to €84.5 million for the first half of 2023 compared to €90.8 million for the corresponding period of the previous year.

Management measures the segments' results by considering their operating profit.

It measures their equity structure using their net invested capital.

Disclosures on the Group's performance by business segment are set out in the Directors' report.

The methods of aggregating information by business segment were revised during preparation of the consolidated financial statements at 31 December 2022, in order to continue to ensure consistency with the reporting system in use by senior management. The comparative figures for the first half of 2022 have been restated accordingly.

The condensed interim consolidated financial statements figures are summarised below by operating segment with comparative figures for the first half of 2022 (statement of profit or loss) and at 31 December 2022 (statement of financial position).

Statement of profit or loss by operating segment- First half of 2022

(€'000)	Italy	Abroad	LANE Group	Total
Revenue from contracts with customers	945,290	2,077,657	614,055	3,637,002
Other income	105,342	92,685	452	198,479
Total revenue and other income	**1,050,632**	**2,170,342**	**614,507**	**3,835,481**
Operating expenses				
Production costs	(744,042)	(1,567,958)	(432,134)	(2,744,134)
Personnel expenses	(160,637)	(340,717)	(166,259)	(667,613)
Other operating expenses	(100,253)	(59,290)	(8,523)	(168,066)
Total operating expenses	**(1,004,932)**	**(1,967,965)**	**(606,916)**	**(3,579,813)**
Gross operating profit	**45,700**	**202,377**	**7,591**	**255,668**
Gross operating profit margin %	*4.3%*	*9.3%*	*1.2%*	*6.7%*
Net impairment losses	(51,034)	(2,741)	-	(53,775)
Amortisation, depreciation and provisions	(87,468)	(56,082)	(18,952)	(162,502)
Operating profit (loss) *	**(92,802)**	**143,554**	**(11,361)**	**39,391**
Return on Sales				*1.0%*
Net financing income and net losses on equity investments				45,131
Profit before tax				**84,522**
Income taxes				(51,505)
Profit from continuing operations				**33,017**
Loss from discontinued operations				(14,765)
Profit for the period				**18,252**

(*) The operating profit includes the costs of the central units and other general costs of €90.8 million.

The above statement of profit or loss by operating segment for the six months ended 30 June 2022 has been restated as described on the previous page.

Statement of profit or loss by operating segment- First half of 2023

(€'000)	Italy	Abroad	LANE Group	Total
Revenue from contracts with customers	1,209,382	2,536,169	563,347	4,308,898
Other income	119,528	106,883	727	227,138
Total revenue and other income	**1,328,910**	**2,643,052**	**564,074**	**4,536,036**
Operating expenses				
Production costs	(955,498)	(1,837,461)	(424,890)	(3,217,859)
Personnel expenses	(176,195)	(485,174)	(185,918)	(847,287)
Other operating expenses	(77,974)	(96,163)	(4,823)	(178,960)
Total operating expenses	**(1,209,667)**	**(2,418,799)**	**(615,631)**	**(4,244,097)**
Gross operating profit (loss)	**119,243**	**224,253**	**(51,557)**	**291,939**
Gross operating profit (loss) margin %	*9.0%*	*8.5%*	*-9.1%*	*6.4%*
(Impairment losses) Utilisations	693	(1,215)	(4)	(526)
Amortisation, depreciation and provisions	(80,344)	(84,613)	(18,103)	(183,060)
Operating profit (loss) *	**39,592**	**138,425**	**(69,664)**	**108,353**
Return on Sales				*2.4%*
Net financing costs and net losses on equity investments				(95,785)
Profit before tax				**12,569**
Income taxes				(40,651)
Loss from continuing operations				**(28,082)**
Loss from discontinued operations				(620)
Loss for the period				**(28,702)**

(*) The operating profit includes the costs of the central units and other general costs of €84.5 million.

Statement of financial position as at 31 December 2022 by operating segment

(€'000)	Italy	Abroad	LANE Group	Total
Non-current assets	767,987	1,115,939	175,114	**2,059,040**
Net assets held for sale	-	849	-	**849**
Provisions for risks	(91,981)	(19,598)	(87,300)	**(198,879)**
Post-employment benefits and employee benefits	(23,293)	(16,171)	(13,142)	**(52,606)**
Net tax assets	338,184	36,844	62,421	**437,449**
Net working capital	**(1,845,492)**	**1,256,328**	**13,200**	**(575,964)**
Net invested capital	**(854,595)**	**2,374,191**	**150,293**	**1,669,889**
Equity				**1,935,074**
Net financial position				**(265,185)**
Total financial resources				**1,669,889**

Statement of financial position as at 30 June 2023 by operating segment

(€'000)	Italy	Abroad	LANE Group	Total
Non-current assets	741,933	1,170,734	193,443	**2,106,110**
Net assets held for sale	6,405	1,136	-	**7,541**
Provisions for risks	(60,488)	(47,899)	(88,226)	**(196,612)**
Post-employment benefits and employee benefits	(22,881)	(21,241)	(8,652)	**(52,774)**
Net tax assets	423,612	20,185	74,806	**518,602**
Net working capital	**(2,576,162)**	**1,437,229**	**43,549**	**(1,095,384)**
Net invested capital	**(1,487,582)**	**2,560,144**	**214,919**	**1,287,483**
Equity				**1,725,636**
Net financial position				**(438,153)**
Total financial resources				**1,287,483**

Statement of financial position

7. Property, plant and equipment, intangible assets and right-of-use assets

7.1 Property, plant and equipment

The historical cost and carrying amounts of property, plant and equipment are shown in the following table:

	31 December 2022			30 June 2023		
(€'000)	Cost	Acc. dep.	Carrying amount	Cost	Acc. dep.	Carrying amount
Land	13,591	-	13,591	13,367	-	13,367
Buildings	208,227	(93,166)	115,061	213,784	(113,587)	100,197
Plant and machinery	1,202,056	(788,241)	413,815	1,380,231	(944,572)	435,658
Industrial and commercial equipment	126,461	(102,128)	24,333	139,637	(107,772)	31,865
Other assets	84,507	(68,440)	16,067	88,219	(73,454)	14,765
Assets under const. and payments on account	127,400	-	127,400	132,902	-	132,902
Total	**1,762,242**	**(1,051,975)**	**710,267**	**1,968,140**	**(1,239,384)**	**728,755**

Changes during the period are summarised below:

(€'000)	31 December 2022	Increases	Depreciation	Reclass-ifications	Disposals	Net exchange losses	Change in cons. scope	30 June 2023
Land	13,591	-	-	-	-	(223)	-	13,368
Buildings	115,061	3,452	(14,593)	17	(669)	(3,065)	(6)	100,197
Plant and machinery	413,815	104,401	(76,607)	2,206	(7,918)	(2,200)	1,960	435,657
Industrial and commercial equipment	24,333	15,855	(6,132)	1,833	(1,464)	(1,916)	(643)	31,865
Other assets	16,067	5,432	(4,621)	9	(1,588)	(616)	81	14,765
Assets under const. and payments on account	127,400	10,116	-	(2,511)	-	(2,145)	42	132,903
Total	**710,267**	**139,256**	**(101,953)**	**1,554**	**(11,639)**	**(10,165)**	**1,434**	**728,755**

The most significant changes include:

- increases of €139.2 million, mainly related to investments in plant and machinery (i) for the Snowy Hydro 2.0 project in Australia, (ii) by Lane Group, and (iii) for the TELT lot 2 project in France;
- depreciation of €101.9 million, principally recognised on the Snowy Hydro 2.0 project (Australia), the Milan - Genoa railway line project and Lane Group's projects;
- reclassifications of €1.6 million, chiefly related to machinery and equipment under lease at the end of 2022;
- disposals of €11.6 million, mostly in relation to the Gothenburg Rail Link- Haga Station project in Sweden;
- change in the consolidation scope of €1.4 million, mainly related to the acquisition of the Clough assets in Australia.

7.2 Right-of-use assets

The historical cost and carrying amounts of the right-of-use assets are shown in the following table:

	31 December 2022			30 June 2023		
(€'000)	Cost	Acc. dep.	Carrying amount	Cost	Acc. dep.	Carrying amount
Land	5,208	(3,628)	1,580	3,987	(3,007)	980
Buildings	88,760	(52,358)	36,402	103,963	(51,169)	52,794
Plant and machinery	197,189	(123,946)	73,243	189,869	(119,519)	70,350
Industrial and commercial equipment	575	(551)	24	69	(52)	17
Other assets	4,935	(2,641)	2,294	4,614	(2,733)	1,881
Total	**296,669**	**(183,124)**	**113,541**	**302,504**	**(176,480)**	**126,023**

The item mainly comprises operating assets (plant, machinery and equipment) used for projects underway as well as buildings where the Rome and Milan offices are located and buildings housing the offices of branches and foreign subsidiaries.

Changes during the period are summarised below:

(€'000)	31 December 2022	Increases	Depreciation	Reclassifications	Remeasurement	Net exchange losses	Change in cons. scope	30 June 2023
Land	1,580	173	(269)	-	(499)	(5)	-	980
Buildings	36,402	9,256	(8,909)	(86)	(1,638)	(144)	17,913	52,794
Plant and machinery	73,243	20,802	(20,334)	(1,458)	(1,214)	(1,143)	455	70,349
Industrial and commercial equipment	24	1	(6)	(2)	-	-	-	17
Other assets	2,294	-	(431)	(9)	(40)	(5)	74	1,881
Total	**113,541**	**30,232**	**(29,949)**	**(1,555)**	**(3,391)**	**(1,297)**	**18,442**	**126,023**

The most significant changes of the period are summarised below:

- increases of €30.2 million, mainly related to progress made on the projects in the United States (Lane Group);
- depreciation (€29.9 million);
- reclassifications, due to the transfer of machinery and equipment held under lease at 31 December 2022 to proprietary assets (€1.6 million);
- change in the consolidation scope due to the acquisition of the Clough assets in Australia (€18.4 million).

7.3 Intangible assets

The item may be analysed as follows:

(€'000)	31 December 2022 Cost	Acc. amort.	Carrying amount	30 June 2023 Cost	Acc. amort.	Carrying amount
Rights to infrastructure under concession	65,510	(8,129)	57,381	64,510	(7,180)	57,330
Contract acquisition costs	638,780	(374,701)	264,078	718,058	(417,191)	300,867
Incremental costs of obtaining a contract	16,764	(12,468)	4,296	16,994	(12,756)	4,238
Costs to fulfil a contract	85,575	(39,605)	45,971	85,448	(44,877)	40,571
Other intangible assets	9,838	(7,590)	2,248	31,820	(22,565)	9,255
Total	**816,467**	**(442,493)**	**373,974**	**916,830**	**(504,569)**	**412,261**

Rights to infrastructure under concession mostly refer (€44.7 million) to the design costs incurred by the subsidiary SA.BRO.M. S.p.A. for the new Broni- Mortara regional motorway, which include the borrowing costs capitalised in accordance with IAS 23. They were not amortised as the concession is currently inoperative.

Information about management's assessments of the recoverability of this investment is available in the "Main risk factors and uncertainties" section in the Directors' report.

Contract acquisition costs mostly relate to: (i) the order backlog recognised as part of the PPA procedure for the Astaldi Group acquisition in 2020 (€167.8 million) and Clough Group in the first half of 2023 (€79.3 million) and (ii) "contractual rights" acquired from third parties to perform the high-speed/capacity Milan- Genoa and Verona - Padua railway line contracts (€16.5 million and €16.8 million, respectively).

The incremental costs of obtaining a contract are those incurred to win contracts and mostly refer to the subsidiary Fisia Italimpianti for Lot 2 of the Riachuelo project in Argentina.

The costs to fulfil a contract include pre-operating costs capitalised in accordance with IFRS 15.95 as they will generate resources that will be used in performing the related contracts. The reporting date balance mostly refers to the high-speed/capacity Milan- Genoa railway line contract and some other recently awarded projects in Italy.

Other assets principally consist of application software.

Changes in this item are shown below:

(€'000)	31 December 2022	Increases/ (Decreases)	Amortisation	Net exchange losses	Reclass. and change in consolidation scope	30 June 2023
Rights to infrastructure under concession	57,381	248	(80)	(34)	(185)	57,330
Contract acquisition costs	264,078	-	(42,490)	-	79,277	300,865
Incremental costs of obtaining a contract	4,296	1,284	(348)	(995)	-	4,237
Costs to fulfil a contract	45,971	-	(5,400)	(2)	-	40,569
Other intangible assets	2,248	1,816	(1,217)	(418)	6,831	9,260
Total	**373,974**	**3,348**	**(49,535)**	**(1,449)**	**85,923**	**412,261**

The increase in the period is mostly due to amortisation, chiefly of Astaldi Group's EPC order backlog (€33.6 million), and the newly-acquired Clough assets (€86.1 million).

There are no indicators of impairment of the Group's intangible assets.

8. Goodwill

This item and changes therein are set out below:

(€'000)	31 December 2022	Increases	Impairment losses	Net exchange losses	30 June 2023
Lane Group	79,869	-	-	(1,386)	78,483
Seli Overseas	3,015	-	-	-	3,015
Total	**82,884**	**-**	**-**	**(1,386)**	**81,498**

No indications of impairment were identified during the period.

9. Equity investments

9.1 Equity-accounted investments

This item includes:

(€'000)	31 December 2022	30 June 2023	Variation
Investments in associates	660,965	624,928	(36,037)
Interests in joint ventures	36,834	52,128	15,293
Total	**697,799**	**677,055**	**(20,744)**

Changes in the Group's investments/interests in associates and joint ventures during the period are summarised below:

(€'000)	Investments in associates	Interests in joint ventures
1 January 2023	**660,965**	**36,834**
Change in consolidation scope	-	2,171
Acquisitions, capital injections and disinvestments and other contributions	5,015	19,247
Share of loss of equity-accounted investees	(26,336)	(751)
Measurement at equity through OCI	(18,760)	(728)
Dividends	(1,443)	(4,628)
Adjustment for hyperinflation	7,385	-
Reclassifications and other changes	(1,898)	(17)
30 June 2023	**624,928**	**52,128**

The most significant changes include:

- the change in the consolidation scope, due to the acquisition of certain joint ventures of Clough Group;
- capital injections into Grupo Unidos por el Canal S.A. (€5 million) and Lane Group companies (€19.2 million);
- the effects on OCI, caused by fluctuations in the US dollar exchange rate, mostly affecting the associate Grupo Unidos por el Canal S.A.;
- the reduction in dividends, mainly attributable to the Lane Group companies.

Note 34 describes the effects of the equity-accounting of investments on profit or loss.

As already described in previous reports, the financial statements used to measure some of the investments using the equity method include claims for additional consideration as its payment is highly probable, based also on the technical and legal opinions of the Group's advisors. More information is available in the "Main risk factors and uncertainties" section in the Directors' report.

No indicators of impairment were identified in respect of the equity investments at 30 June 2023.

9.2 Other equity investments

This item may be analysed as follows:

(€'000)	31 December 2022	30 June 2023	Variation
Non-controlling interests	51,036	51,027	(9)
Participating financial instruments	29,539	29,489	(50)
Total	**80,575**	**80,516**	**(59)**

The investments in non-controlling interests mainly refer to the SPE Linea M4 S.p.A. (€47.4 million).

The participating financial instruments consist of the equity instruments (IAS 32.16C) assigned to the former Astaldi's (now Astaris S.p.A., "Astaris") creditors as partial settlement of their unsecured claims.

10. Non-current financial assets including derivatives

Non-current financial assets including derivatives are analysed in the following table:

(€'000)	31 December 2022	30 June 2023	Variation
Loans and receivables- third parties	209,443	196,497	(12,946)
Loans and receivables- unconsolidated group companies and other related parties	289,999	303,444	13,445
Other financial assets	18,997	13,610	(5,387)
Total	**518,439**	**513,551**	**(4,888)**

Loans and receivables- third parties mainly include:

- transactions with Astaris' separate unit (PADE) for €69.5 million, mostly related to sales advances in accordance with the approved composition with creditors plan;
- payments on account of €66.0 million made by the CAV.TO.MI. Consortium as a result of the ongoing dispute with the customer about the high-speed/capacity Turin- Milan railway line project;
- €59.4 million related to the undue enforcement of the performance bonds for the A1F, S3 Nowa Sol, S7 Checiny and S7 Widoma motorway contracts in Poland. The Group is confident that it will recover this amount, based also on the opinion of its legal advisors assisting it in the disputes with the customer.

Loans and receivables- unconsolidated group companies and other related parties mainly relate to the loans given to Yuma Concesionaria S.A. (€187.9 million) and the SPE Linea M4 S.p.A. (€94.5 million).

The increase in non-current financial assets including derivatives is mostly due to: (i) the increase in the loans granted to Yuma Concesionaria S.A. due to changes in exchange rates (€9.2 million), and reimbursement of part of (ii) the trade receivables following the enforcement of the performance bonds for the Polish motorway contracts (€5.4 million) and (iii) the loans and advances disbursed to PADE.

More information about the Turin- Milan railway line contract, the motorway projects in Poland and Yuma Concesionaria S.A. is provided in the "Main risk factors and uncertainties" section in the Directors' report.

11. Deferred tax assets and liabilities

This item may be broken down as follows:

(€'000)	31 December 2022	30 June 2023	Variation
Deferred tax assets	346,289	372,724	26,435
Deferred tax liabilities	(58,060)	(78,992)	(20,932)

The item relates to temporary differences between statutory and tax regulations.

12. Inventories

Inventories may be analysed as follows:

(€'000)	31 December 2022			30 June 2023			
	Gross amount	Allowance	Carrying amount	Gross amount	Allowance	Carrying amount	Variation
Real estate projects	3,119	-	3,119	3,044	-	3,044	(75)
Finished products and goods	10,544	-	10,544	9,649	-	9,649	(895)
Work in progress and semi-finished products	547	-	547	505	-	505	(42)
Raw materials, consumables and supplies	257,753	(23,154)	234,599	271,525	(22,790)	248,735	14,136
Total	**271,963**	**(23,154)**	**248,809**	**284,723**	**(22,790)**	**261,933**	**13,124**

Real estate projects mostly consist of agricultural land in Gallarate, Lombardy and car parks in Arezzo.

The increase in inventories mainly relates to the raw materials, consumables and supplies and, specifically, the Snowy Hydro 2.0 project in Australia and the Romanian branch (€5.0 million and €16.2 million, respectively), partly offset by the reduction in the Ethiopian branch's inventories.

Changes in the allowance during the period are shown below:

(€'000)	31 December 2022	Accruals	Utilisations	Reversals	Change in cons. scope	Other changes and exchange gains (losses)	30 June 2023
Allowance- raw materials	23,154	180	(95)	(59)	-	(390)	22,790
Total	**23,154**	**180**	**(95)**	**(59)**	**-**	**(390)**	**22,790**

13. Contract assets and liabilities

Contract assets and liabilities can be analysed as follows:

(€'000)	31 December 2022	30 June 2023	Variation
Contract assets	3,199,971	3,955,849	755,878
Contract liabilities	3,311,689	4,642,191	1,330,502

Information about the contract assets and liabilities is set out below while the "Performance by geographical area" section in the Directors' report provides information about the contracts, their performance and progress made on the main ongoing projects.

Contract assets

Contract assets include:

(€'000)	31 December 2022	30 June 2023	Variation
Contract work in progress	55,992,398	58,661,365	2,668,967
Progress payments (on approved work)	(51,807,919)	(53,090,966)	(1,283,047)
Advances	(984,508)	(1,614,550)	(630,042)
Total	**3,199,971**	**3,955,849**	**755,878**

The following table shows a breakdown of the item by geographical segment:

(€'000)	31 December 2022	30 June 2023	Variation
Italy	480,229	1,032,301	552,072
EU (excluding Italy)	883,092	901,504	18,412
Other European countries (non-EU)	67,300	75,296	7,996
Asia/Middle East	708,742	786,331	77,589
Africa	422,439	491,869	69,430
Americas (including Lane)	466,716	502,777	36,061
Oceania	171,453	165,771	(5,682)
Total	**3,199,971**	**3,955,849**	**755,878**

Domestic contract assets increased, mostly in relation to the high-speed/capacity Milan- Genoa railway line and the third maxi-lot of the SS-106 state road Jonica.

With respect to the item's breakdown by geographical segment, the biggest Italian contributors are the high-speed/capacity Milan- Genoa railway line, the third maxi-lot of the SS-106 state road Jonica, Lot 2 of the Marche - Umbria road system, the Infraflegrea project and Line 4 of the Milan Metro.

The rise in foreign contract assets is chiefly due to the work carried out during the six months in Tajikistan (Rogun Hydropower Project), Ethiopia (Koysha and GERD Hydroelectric Projects) and Lane Group in the United States.

Europe's total was pushed up by the ongoing projects in Romania (mainly the Braila Bridge, the Frontieră- Curtici -Simeria railway line and Lot 3 of the Sibiu- Pitesti Motorway) and Poland (principally the Warsaw Southern Bypass and the motorway projects).

In Asia and the Middle East, the projects in Tajikistan (Rogun Hydropower Project), Qatar (Al Bayt Stadium) and Saudi Arabia (Line 3 of the Riyadh Metro and the SANG Villas) contributed the most to the total balance for this area.

Contract liabilities

Contract liabilities include:

(€'000)	31 December 2022	30 June 2023	Variation
Contract work in progress	(14,563,160)	(13,433,790)	1,129,370
Progress payments (on approved work)	14,089,967	13,452,675	(637,292)
Advances	3,784,882	4,623,307	838,425
Total	**3,311,689**	**4,642,191**	**1,330,502**

The following table shows a breakdown of the item by geographical segment:

(€'000)	31 December 2022	30 June 2023	Variation
Italy	2,300,252	3,727,916	1,427,664
EU (excluding Italy)	69,759	57,928	(11,831)
Other European countries (non-EU)	20,865	17,311	(3,554)
Asia/Middle East	86,233	72,001	(14,232)
Africa	63,038	57,215	(5,823)
Americas (including Lane)	224,897	212,037	(12,860)
Oceania	546,645	497,783	(48,862)
Total	**3,311,689**	**4,642,191**	**1,330,502**

The increase in this item is mostly due to the advances collected for the recently-acquired railway projects in Italy (three new lots of the Palermo- Catania- Messina railway line[4], the Trento rail by-pass and the Salerno-Reggio Calabria railway line).

The breakdown of contract liabilities by geographical segment shows that the Italian balance relates to the above-mentioned railway projects awarded to the Group during the six months, the new Genoa Breakwater and work on the high-speed/capacity Verona- Padua, Naples- Bari, north and south lots of Messina- Catania and Enna- Dittaino railway lines).

Contract liabilities in the Americas mostly relate to progress made on projects in the United States (Lane Group) and Canada (the Hurontario Light Rail and RSSOM Project).

The Snowy 2.0, North East Link and SSTOM projects in Australia contributed to the item in the Oceania area as did the contracts recently acquired by Clough Group.

Additional consideration

Contract assets and liabilities, comprising progress payments, progress billings and advances, include claims for additional consideration of €2,878.5 million and €404.1 million, respectively.

They are recognised to the extent that their payment is deemed highly probable, based also on the legal and technical opinions of the Group's advisors. The additional consideration recognised in contract assets and liabilities is part of the total consideration formally requested of the customers.

The "Main risk factors and uncertainties" section in the Directors' report provides information on pending disputes and assets exposed to country risk.

[4] Lercara- Caltanissetta Xirbi, Fiumetorto- Lercara, Caltanissetta Xirbi- Nuova Enna

14. Trade receivables

This item may be analysed in the following table:

(€'000)	31 December 2022	30 June 2023	Variation
Third parties	2,929,793	3,371,096	441,303
Loss allowance	(513,022)	(498,665)	14,357
Unconsolidated group companies and other related parties	469,335	454,334	(15,001)
Total	**2,886,106**	**3,326,765**	**440,659**

The following table shows a breakdown of the item by geographical segment:

(€'000)	31 December 2022	30 June 2023	Variation
Italy	1,584,214	1,963,711	379,497
EU (excluding Italy)	247,346	322,265	74,919
Other European countries (non-EU)	56,859	59,221	2,362
Asia/Middle East	341,096	343,633	2,537
Africa	271,363	243,507	(27,856)
Americas (including Lane)	289,796	258,186	(31,610)
Oceania	95,432	136,242	40,810
Total	**2,886,106**	**3,326,765**	**440,659**

The increase seen in Italy is principally due to the amounts due to the Group's consortium partners for the recently-acquired railway contracts in Italy (the three new lots of the Palermo- Catania- Messina railway line, the Trento rail by-pass and the Salerno- Reggio Calabria railway line) (€442.5 million). They are partly offset (for €205.4 million) by an increase in liabilities to the partners for the same contracts recognised under trade payables.

Information about management's assessments of the recoverability of the outstanding amounts (€103.9 million) from the Campania public administrations is available in the "Main risk factors and uncertainties" section in the Directors' report.

The increase in the EU is mostly due to the activities being performed in France (Lot 2 of Line 16 of the Paris Metro) and Romania as well as by the subsidiary AGN HAGA AB in Sweden.

The rise in trade receivables for the projects underway in Saudi Arabia (SANG Villas) was partly offset by the decrease in Tajikistan (Rogun Hydropower Project) for Asia and the Middle East.

The increase in Oceania is due to the acquisition of the Clough assets (€22.1 million).

The balance of trade receivables from unconsolidated group companies and other related parties mostly comprises amounts due from unconsolidated SPEs for work carried out by them on behalf of public administration bodies.

Lastly, the item includes €0.1 million (€3.2 million at 31 December 2022) related to the Group's receivables with consortia and consortium companies (SPEs) that operate by recharging costs and are not included in the consolidation scope. It is shown in the item "Net financial position (debt) with unconsolidated SPEs" as part of net financial position (indebtedness).

Changes in the loss allowance are as follows:

(€'000)	31 December 2022	Impairment losses	Utilisations	Impairment gains	Change in cons. scope	Reclassifications and other changes	Net exchange losses	30 June 2023
Trade receivables	452,442	1,715	(1,188)	(3,565)	-	(10,249)	(1,074)	438,081
Default interest	60,579	-	-	-	-	-	5	60,584
Total	**513,021**	**1,715**	**(1,188)**	**(3,565)**	**-**	**(10,249)**	**(1,069)**	**498,665**

The loss allowance for trade receivables of €498.7 million mostly refers to amounts due from Venezuelan customers (€308.1 million) and the Ukrainian customer Ukravtodor (€65.3 million).

15. Current financial assets including derivatives

This item comprises:

(€'000)	31 December 2022	30 June 2023	Variation
Loans and receivables- third parties	351,242	369,224	17,982
Loans and receivables- unconsolidated group companies	72,427	97,776	25,349
Government bonds and insurance shares	15,687	12,861	(2,826)
Derivatives	2,276	1,572	(704)
Total	**441,632**	**481,433**	**39,801**

"Loans and receivables- third parties" mostly consist of:

- loans of €247.2 million granted to non-controlling investors by group companies, mostly for projects in Australia, Italy, Kuwait and Qatar;
- temporary advances of €55.4 million made by Lane Group for projects carried out with partners in the United States;
- deposits of €20.0 million lodged with Astaldi Canada Inc.'s trustee in conjunction with collection of the final award for the Muskrat Falls project;
- €12.2 million for the undue enforcement of performance bonds by the customer for the Orastie- Sibiu (Lot 3) contract in Romania. The Court of International Commercial Arbitration attached to the Chamber of Commerce and Industry of Romania ("CCIR") announced the final award on 25 February 2021 ordering the customer to return the unfairly enforced amounts. As a result and based on the assessments made with the Group's legal advisors, management deems that the amounts are fully recoverable. More information is available in the "Main risks and uncertainties" section in the Directors' report;
- net investment in leases of €7.9 million for the COCIV Consortium.

The €18.0 million increase in this item is mostly due to the additional advances recognised by Lane Group.

Loans and receivables- unconsolidated group companies and other related parties" increased by €25.3 million on the previous year. More information about this item is available in note 37 "Related party transactions".

Derivatives include the reporting-date fair value of currency hedges that did not meet the criteria for application of hedge accounting for cash flow hedges under the IFRS.

Their fair value was a positive €1.6 million at the reporting date as shown below:

(€'000)	31 December 2022	30 June 2023
Currency swaps- FVTPL	2,276	1,572
Total	**2,276**	**1,572**

16. Current tax assets and other current tax assets

16.1 Current tax assets

This item comprises:

(€'000)	31 December 2022	30 June 2023	Variation
Direct taxes	17,601	16,115	(1,486)
IRAP	4,141	2,744	(1,397)
Foreign direct taxes	68,757	65,965	(2,792)
Total	**90,499**	**84,824**	**(5,675)**

The 30 June 2023 balance mainly consists of:

- direct tax assets for excess taxes paid in previous years, which the Group has correctly claimed for reimbursement and which bear interest;
- foreign direct taxes for excess taxes paid abroad by the foreign group companies.

16.2 Other current tax assets

This item comprises:

(€'000)	31 December 2022	30 June 2023	Variation
VAT	214,389	298,801	84,412
Other indirect taxes	19,847	13,099	(6,748)
Total	**234,236**	**311,900**	**77,664**

VAT mostly relates to Italian contracts with public administrations that the split payment regime[5] can be applied to.

17. Other current assets

Other current assets may be analysed as follows:

(€'000)	31 December 2022	30 June 2023	Variation
Other	232,443	250,487	18,046
Advances to suppliers	385,166	414,669	29,503
Unconsolidated group companies and other related parties	36,149	21,076	(15,073)
Prepayments and accrued income	262,687	258,638	(4,050)
Total	**916,445**	**944,870**	**28,426**

[5] Article 17-ter of Presidential decree no. 633/1972

“Other” includes (i) consideration of €47.6 million due to Fibe S.p.A. for the USW Campania projects, (ii) €32.6 million due to the parent as a result of the enforceable award in its favour for the Aguas del Buenos Aires project in Argentina, and (iii) amounts due from Webuild’s partners chiefly for projects being carried out abroad for most of the remainder.

Information on the USW Campania projects is available in the “Main risk factors and uncertainties” section in the Directors’ report.

Advances to suppliers increased by €29.5 million, mainly due to the greater production output achieved during the six months in Italy, Saudi Arabia and Australia.

The item “Unconsolidated group companies and other related parties” decreased by €15.1 million, chiefly in relation to the ongoing projects in Peru and Romania.

The decrease of €4.0 million in prepayments and accrued income is principally due to insurance premiums and commissions on sureties.

18. Cash and cash equivalents

This item may be analysed as follows:

(€’000)	31 December 2022	30 June 2023	Variation
Cash and cash equivalents	1,921,177	2,114,390	193,213

A breakdown by geographical segment is as follows:

(€’000)	31 December 2022	30 June 2023	Variation
Italy	626,831	786,638	159,807
EU (excluding Italy)	221,691	166,360	(55,331)
Other European countries (non-EU)	88,014	57,452	(30,562)
Asia/Middle East	259,837	154,438	(105,399)
Africa	22,084	23,591	1,507
Americas (including Lane)	415,664	582,119	166,455
Oceania	287,056	343,792	56,736
Total	**1,921,177**	**2,114,390**	**193,213**

The balance includes bank account credit balances at the end of the period and the amounts of cash, cheques and valuables at the registered offices, work sites and foreign branches. Liquidity management is designed to ensure the financial independence of ongoing contracts, considering the structure of the consortia and SPEs, which may limit the availability of financial resources to achievement of the related projects. Liquidity management also considers the existence of constraints to the transfer of currency imposed by certain countries. In this respect, the liquidity in Africa mainly comprises local currency that cannot be exported and is used for the Ethiopian projects.

The statement of cash flows and the section on the Group’s net financial position in the Directors’ report show the reasons for changes in this item and current account facilities (note 21).

At the reporting date, the cash and cash equivalents attributable to non-controlling interests in the consolidated SPEs amount to €145.5 million and mainly refer to the Italian subsidiaries (mostly the Pergenova Breakwater Consortium) (€94.3 million) and foreign subsidiaries (principally Lane Group) (€51.3 million).

18.1 Restricted cash and cash equivalents

This item comprises restricted amounts of approximately €32.8 million, including €15 million for the TELT lot 2 contract in France, €7.8 million for Webuild's French branch (Lines 14 and 16 of the Paris Metro) and €4.0 million for Lane Group.

The "Main risk factors and uncertainties" section in the Directors' report provides information on the preventive attachment of €7.8 million obtained by VINCI Construction Grands Projets of Webuild's French bank accounts for Astaldi's alleged liabilities for the Santiago de Chile Airport.

19. Non-current assets held for sale and disposal groups, liabilities directly associated with non-current assets held for sale and loss from discontinued operations

Net non-current assets held for sale

Net non-current assets held for sale are as follows:

(€'000)	31 December 2022	30 June 2023	Variation
Non-current assets	418	2,240	1,822
Current assets	14,122	18,921	4,799
Non-current assets held for sale	**14,540**	**21,161**	**6,621**
Non-current liabilities	(5,622)	(5,622)	-
Current liabilities	(8,071)	(7,999)	72
Liabilities directly associated with non-current assets held for sale	**(13,692)**	**(13,621)**	**71**
Net non-current assets held for sale	**848**	**7,540**	**6,692**
- Of which net financial position	*2,097*	*7,322*	*5,225*

At 30 June 2023, net non-current assets held for sale amount to €7.5 million and consist of the investment (capital and shareholder loan) held by the parent in S.E.I.S. S.p.A. (€6.4 million) and the divisions to be sold in the Honduras area (€1.1 million).

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On 14 June 2023, Webuild received a binding purchase offer for its 48.333% investment (capital and shareholder loan) in S.E.I.S. S.p.A., which owns a property in La Maddalena (Sardinia). As the sale is expected to be finalised in July, the equity investment was classified as held for sale and measured at the lower of its carrying amount and fair value less costs to sell, which was calculated on the basis of the sales contract terms. The calculation shows that the equity investment's carrying amount matches its fair value.

Divisions held for disposal in the Honduras area

The administrator appointed by the competent authorities in 2019 is completing the procedures to liquidate the local assets of the Astaldi Honduras division to satisfy the local creditors.

Loss from discontinued operations

This item shows the results of the foreign divisions headed by the former Astaldi Group which do not comply with the Group's commercial and industrial strategies.

Industrial operations in these countries have been discontinued for some time and the administrative procedures for the definitive closure of the relevant reporting entities are currently nearing completion. The procedures for the closure of the reporting entities in Costa Rica and Guatemala were completed in the first half of 2023.

The loss from discontinued operations amounts to €0.6 million compared to €14.8 million for the corresponding period of 2022 when it mostly related to the ICC award for the project to upgrade the E60 Zemo Osiauri-Chumateleti Motorway performed by the Astaldi Giorgia division.

The item may be broken down as follows:

(€'000)	1st half 2022	1st half 2023	Variation
Revenue			
Operating costs	(14,306)	(53)	14,253
Other revenue	4,683	2,109	(2,574)
Total operating costs and other income	**(9,623)**	**2,056**	**11,679**
Operating expenses			
Purchases	(70)	(2)	68
Subcontracts	(5,466)	-	5,466
Services	(1,032)	(860)	172
Other operating expenses	(2,739)	(879)	1,860
Personnel expenses	(563)	(429)	134
Amortisation, depreciation, provisions and impairment losses	(2,784)	(274)	2,510
Total operating expenses	**(12,654)**	**(2,444)**	**10,210**
Operating loss	**(22,277)**	**(388)**	**21,889**
Financing income (costs) and gains (losses) on equity investments			
Financial income	1	2	1
Financial expense	(793)	(60)	733
Net exchange gains	8,486	132	(8.354)
Net financing income	7,694	74	(7,620)
Net financing income and net losses on equity investments	**7,694**	**74**	**(7,620)**
Loss before tax	**(14,584)**	**(315)**	**14,269**
Income taxes	(181)	(304)	(123)
Loss from discontinued operations	**(14,765)**	**(620)**	**14,145**

20. Equity

This item may be analysed as follows:

(€'000)	31 December 2022	30 June 2023	Variation
Equity attributable to the owners of the parent			
Share capital	600,000	600,000	-
Share premium reserve	367,763	367,763	-
- Legal reserve	120,000	120,000	-
- Reserve for share capital increase related charges	(10,988)	(10,988)	-
- Reserve for treasury shares	(28,075)	(31,611)	(3,536)
- Reserve for treasury shares held by group companies	(6,839)	(5,708)	1,131
- LTI reserve	12,103	162	(11,941)
- Inflation reserve	108,249	128,166	19,917
- IFRS 2 reserve	71,353	57,366	(13,987)
- Extraordinary and other reserves	136	136	-
Total other reserves	265,939	257,523	(8,416)
Other comprehensive expense			
- Translation reserve	(156,437)	(246,828)	(90,391)
- Hedging reserve	3,009	2,660	(349)
- Actuarial reserve	4,706	5,364	658
Total other comprehensive expense	(148,722)	(238,804)	(90,082)
Retained earnings	483,836	448,813	(35,023)
Profit (loss) for the period/year	9,893	(33,054)	(42,947)
Equity attributable to the owners of the parent	**1,578,709**	**1,402,241**	**(176,468)**
Share capital and reserves attributable to non-controlling interests	349,728	319,042	(30,686)
Profit for the period/year attributable to non-controlling interests	6,637	4,352	(2,285)
Share capital and reserves attributable to non-controlling interests	356,365	323,394	(32,971)
Total	**1,935,074**	**1,725,635**	**(209,439)**

20.1 Share capital

At 30 June 2023, the parent's share capital continues to amount to €600,000,000 and consists of 1,007,214,580 shares, comprising 1,005,599,089 ordinary shares (including 4,999,867 ordinary shares to be assigned to potential creditors) and 1,615,491 savings shares, all without a nominal amount.

During the period, the number of shares increased due to the assigning of 4,789,185 ordinary shares issued after 4,787,134 lender warrants and 2,051 anti-dilutive warrants were exercised.

Financial instruments giving the right to new shares

During their extraordinary meeting of 30 April 2021 as part of their resolutions about the partial proportionate demerger of the former Astaldi (now Astaris) to Webuild (the "**demerger**"), Webuild's shareholders resolved, inter alia:

- (a) to issue 80,738,448 2021-2030 Webuild warrants (ISIN IT0005454423) to the holders of ordinary Webuild shares in proportion to the shares held by them on the open market date before the demerger's effectiveness date (i.e., 30 July 2021) (the "**anti-dilutive warrants**"), as well as (b) to authorise the board of directors to issue and assign, under the terms and conditions of the anti-dilutive warrants regulation, in more than one instalment, a maximum of 80,738,448 ordinary Webuild shares, without a nominal amount, reserved for the exercise of (free) subscription rights by the anti-dilutive warrant holders. The anti-dilutive warrants were assigned free of charge on a dematerialised basis, using a ratio of 0.090496435 warrants for every ordinary Webuild share held at that date. During the period, as the conditions for their partial exercise were met, 2,051 anti-dilutive warrants were exercised leading to the assigning of 2,051 ordinary Webuild shares to the warrant holders;

- (a) to issue 15,223,311 warrants (the "lender warrants") to Unicredit S.p.A., Intesa San Paolo S.p.A., Sace S.p.A., BNP Paribas SA Succursale Italia and Banca Monte dei Paschi di Siena S.p.A. (the "lending banks") to replace, due to the demerger, a maximum of 74,991,680 Astaldi S.p.A. 2020-2023 warrants issued as part of the loan agreements signed on 2 August 2020 by Astaldi and its lending banks which gave them the right to subscribe ordinary Webuild shares in the ratio of one share to every lender warrant before 5 July 2023, as well as (b) to authorise the board of directors to issue and assign, under the terms and conditions set out in the lender warrants' regulation, in more than one instalment, a maximum of 15,223,311 ordinary Webuild shares, without a nominal amount, reserved for the exercise (at a unit price of €1.133 per share) of the above lender warrants.During the period, BNP Paribas SA Succursale Italia and Banca Monte dei Paschi di Siena S.p.A. exercised 2,725,627 and 2,061,507 lender warrants, respectively, for a total of 4,787,134. In return, they received the same number of ordinary Webuild shares against payment of €5,423,822.82;
- to authorise the board of directors to issue, in more than one instalment and before 31 August 2030, a maximum of 8,826,087 ordinary shares, without a nominal amount, to be reserved to the creditors not provided for (as defined in the demerger proposal). They will have the right to receive Webuild shares using: (a) the ratio established by Astaldi's composition with creditors plan for the exchange of claims with shares (i.e., 12.493 Astaldi shares for each €100.00 of claims), and (b) the assignment ratio (i.e., 203 Webuild shares to every 1,000 Astaldi shares). In the first half of 2023, no ordinary Webuild shares were issued or assigned to the creditors not provided for.

Changes of the period in the different equity items are summarised in the relevant schedule of the condensed interim consolidated financial statements.

20.2 Share premium reserve

This item mainly reflects the parent's capital increase of 12 November 2019, net of utilisations in 2021 as per the resolution passed by the parent's shareholders in their meeting of 30 April 2021.

20.3 Other reserves

Legal reserve

At the reporting date, the legal reserve equals one fifth of the parent's share capital as required by article 2430 of the Italian Civil Code.

Reserve for share capital increase related charges

It includes the costs for the parent's capital increases carried out on 12 November 2019 (€7.0 million) and in 2014 (€4 million).

Treasury shares

Reserve for treasury shares

During their ordinary meeting of 27 April 2023, the parent's shareholders authorised the board of directors to adopt a treasury share repurchase plan as per the terms and methods approved by them (available in the "Shareholders' meeting" part of the "Governance" section on the parent's website www.webuildgroup.com). At the reporting date, the parent had 19,185,520 treasury shares for €31,611,292.56.

Reserve for treasury shares held by group companies

After completion and as a result of the demerger, the parent integrated the reserve for treasury shares to include its shares issued to Astaldi's shareholders and assigned to the group companies that received new Astaldi shares in 2020 in exchange for their unsecured claims (the "capital increase for conversion purposes"). Considering the above and the assignment ratio defined for the demerger, the group companies included in the consolidation scope held 2,911,397 Webuild shares at the reporting date, equal to approximately €5.708 million. The €1.13 million decrease in the item at 30 June 2023 is mostly due to the sale of shares by Italian group companies.

LTI reserve

The reserve of €0.162 million at the reporting date covered the 2020-2022 long-term incentive plan measured at fair value at 31 December 2022 (€12.1 million). This plan was open to certain employees, consultants and/or directors with special duties either with the parent and its direct or indirect subsidiaries as per article 2359 of the Italian Civil Code.

The plan provided for the assignment of a 50:50 cash and equity component (Webuild shares) at the end of the vesting period[6] if the beneficiaries reached their objectives.

On 27 April 2023, the parent's shareholders acknowledged that the objectives had been met and approved a change to the plan whereby the beneficiaries can opt to receive their vested incentives immediately and entirely in cash, including the part that was to consist of Webuild shares.

Therefore, based on the choices made so far by the beneficiaries, most of the incentives have been settled in cash as the option to receive Webuild shares has only been exercised for 59,719 shares.

Inflation reserve

This reserve was set up to comply with IAS 29 - Financial reporting in hyperinflationary economies for the preparation of the financial statements of the Argentine group companies that use the Argentine peso as their functional currency.

IFRS 2 reserve

This reserve comprises (i) the fair value (€26.9 million) of the shares that could be issued – under the former Astaldi's authorised composition with creditors procedure and considering the parent's commitments taken on as part of the demerger - in exchange for potential unsecured claims (i.e., provisions for risks) and (ii) the fair value (€30.5 million) of the lender warrants. The decrease of €13.99 million in this reserve is due to the exercise of 4,787,134 lender warrants with the related reclassification of their fair value to retained earnings.

20.4 Other comprehensive expense

The main change in this item relates to the adverse effect of fluctuations in the US dollar and Nigerian naira exchange rates, principally affecting the group companies Grupo Unidos por el Canal S.A. and Salini Nigeria Ltd.

20.5 Retained earnings

The €35 million decrease in retained earnings from €483.8 million at 31 December 2022 to €448.8 million at the reporting date is mostly due to:

Increases

- €9.9 million for the allocation of the profit for 2022;
- €13.99 million after the transfer of the fair value of 4,787,134 lender warrants from the IFRS 2 reserve;

[6] 27 April 2023, the date of approval of the separate financial statements at 31 December 2022 by the parent's shareholders.

- €5.4 million for the consideration received from the lenders that exercised their warrants and acquired 4,787,134 ordinary Webuild shares.

<u>Decreases</u>

- €56 million due to the distribution of dividends by the parent;
- €8.6 million after acquisition of the non-controlling interest in SLC Snowy Hydro Joint Venture.

20.6 Resolution of the parent's shareholders on the allocation of the loss for 2022

In their meeting held on 27 April 2023, the parent's shareholders resolved to:

- cover the loss of €69,556,544.54 shown in the 2022 separate financial statements by using the parent's distributable reserves;
- distribute a dividend of €0.057, gross of the withholding tax required by law, to each ordinary share and savings share with dividend rights at the ex-dividend date (for a total of €55,953,959.43 at the payment date).

20.7 Share capital and reserves attributable to non-controlling interests

Share capital and reserves attributable to non-controlling interests increased due to the capital injections of €14.1 million by their owners to Lane Security Paving Joint Venture (Lane Group) and the Group's acquisition of the non-controlling interest in SLS Snowy Hydro Joint Venture for €41.6 million.

21. Bank and other loans, current portion of bank loans and current account facilities

The Group's financial indebtedness is presented below:

	31 December 2022			30 June 2023		
	Non-current	Current	Total	Non-current	Current	Total
(€'000)						
Bank corporate loans	230,321	74,062	304,383	188,980	95,763	284,743
Bank construction loans	7,585	71,935	79,520	7,053	84,660	91,713
Bank concession financing	10,407	1,293	11,700	9,959	1,299	11,258
Other financing	21,645	115,737	137,382	12,516	129,520	142,036
Total bank and other loans and borrowings	**269,958**	**263,027**	**532,985**	**218,508**	**311,242**	**529,750**
Current account facilities	-	2,452	2,452	-	7,275	7,275
Factoring liabilities	-	18,558	18,558	-	29,721	29,721
Loans and borrowings- unconsolidated group companies	6,309	13,382	19,691	6,718	11,276	17,994
Derivatives	-	-	-	-	116	116
Total	**276,267**	**297,419**	**573,686**	**225,226**	**359,630**	**584,856**

Bank corporate loans

This item includes term loans taken out by the parent.

It may be analysed as follows:

(€'000)	Country	31 December 2022 Total bank corporate loans	Current	Non-current	30 June 2023 Total bank corporate loans	Current	Non-current
Banca IMI- Term loan	Italy	52,503	20,570	31,933	41,965	10,285	31,680
BPER	Italy	102,829	31,500	71,329	103,110	62,344	40,766
Banca Popolare di Milan	Italy	47,293	20,234	27,059	36,978	20,444	16,534
Banca IMI Yuma	Colombia	101,563	1,563	100,000	102,476	2,476	100,000
Banca Popolare di Bergamo	Italy	195	195	-	214	214	-
Total		**304,383**	**74,062**	**230,321**	**284,743**	**95,763**	**188,980**

The main conditions of the bank corporate loans in place at 30 June 2023 are as follows:

	Borrower	Interest rate	Expiry date
Banca IMI- Term loan (2016-2024)	Webuild	Euribor	2024
BPER	Webuild	Euribor	2024
Banca Popolare di Milano (2016- 2024)	Webuild	Euribor	2024
Banca Popolare di Milano (2017- 2025)	Webuild	Euribor	2025
Banca IMI Yuma	Webuild	Euribor	2025
Banca Popolare di Lodi	Webuild	Fixed	2023

As part of a wide-ranging action plan implemented at group level to mitigate the impacts of the current international macroeconomic situation, Webuild negotiated the temporary suspension of checks of certain financial covenants at 30 June 2023 with its lending banks.

Bank construction loans

This item mainly consists of fixed rate loans taken out by the subsidiaries Salini Saudi Arabia Company Ltd. and CSC Costruzioni S.A. (€56.6 million and €16.7 million, respectively).

Bank concession financing

This item includes:

€'000	Borrower	Currency	Country	31 December 2022 Total bank concession financing	Current	Non-current	30 June 2023 Total bank concession financing	Current	Non-current
Monte dei Paschi di Siena	Corso del Popolo S.p.A.	Euro	Italy	5,676	594	5,082	5,380	608	4,772
Credito Sportivo	Piscine dello Stadio S.r.l.	Euro	Italy	6,024	699	5,325	5,878	691	5,187
Total				**11,700**	**1,293**	**10,407**	**11,258**	**1,299**	**9,959**

The conditions of the main bank concession financing in place at period end may be summarised as follows:

	Borrower	Country	Interest rate	Expiry date
Monte dei Paschi di Siena	Corso del Popolo S.p.A.	Italy	Euribor	2028
Credito Sportivo	Piscine dello Stadio	Italy	IRS	2035

The interest rates shown in the table have floating spreads depending on the term and conditions of the financing.

Other financing

This item mainly comprises:

- loans of €64.1 million given to non-controlling partners to finance projects carried out by the Group in Europe, the Americas, Asia and Oceania;
- approximately €19.8 million given to the Sureties Panel (Liberty, AIG, Zurich) for projects carried out by the former Astaldi in North America.

Current account facilities

Current account facilities of €7.3 million mainly relate to the subsidiaries Salini Nigeria Ltd and Clough Niugini.

Factoring liabilities

Factoring liabilities relate to credit facilities for contract advances, reverse factoring and the with-recourse factoring of trade receivables related to transactions mostly performed in Italy, Norway and Ethiopia.

Derivatives

This caption of €0.1 million shows the reporting-date fair value of derivatives agreed to hedge currency risks.

22. Bonds

The following table analyses the item:

		31 December 2022			30 June 2023		
(€'000)	Expiry date	Nominal amount	Non-current portion (net of related charges)	Current portion (accrued interest)	Nominal amount	Non-current portion (net of related charges)	Current portion (net of related charges)
Webuild 1.75% Call 26ot24	26.10.2024	500,000	498,594	1,582	500,000	498,977	5,921
Webuild 5.875% Call 15dc25	15.12.2025	750,000	746,313	1,932	750,000	746,609	23,782
Webuild Sdg Link 3.875% Call 28Lg26	28.07.2026	400,000	395,902	6,625	400,000	396,474	14,311
Webuild 3.625% Call 28ge27	28.01.2027	250,000	245,740	8,367	250,000	246,186	3,799
Total		**1,900,000**	**1,886,549**	**18,506**	**1,900,000**	**1,888,246**	**47,813**

The bonds are listed on the Dublin Stock Exchange and are backed by covenants, which were fully complied with at the reporting date.

23. Lease liabilities

Lease liabilities may be broken down as follows at 30 June 2023:

(€'000)	31 December 2022	30 June 2023	Variation
Non-current portion	68,829	79,635	10,806
Current portion	71,721	70,792	(929)
Total	**140,550**	**150,427**	**9,877**

The present value of the minimum future lease payments is as follows:

(€'000)	31 December 2022	30 June 2023
Minimum lease payments:		
Due within one year	75,612	74,461
Due between one and five years	71,300	77,360
Due after five years	3,684	12,805
Total	**150,596**	**164,626**
Future interest expense	(10,046)	(14,199)
Net present value	**140,550**	**150,427**
The net present value is as follows:		
Due within one year	71,721	70,792
Due between one and five years	65,519	69,414
Due after five years	3,310	10,221
Total	**140,550**	**150,427**

24. Analysis of net financial position

24.1 Net financial position of Webuild Group

(€'000)	Note (*)	31 December 2022	30 June 2023	Variation
Non-current financial assets	10	518,439	513,551	(4,888)
Current financial assets	15	439,355	479,861	40,506
Cash and cash equivalents	18	1,921,177	2,114,390	193,213
Total cash and cash equivalents and other financial assets		**2,878,971**	**3,107,802**	**228,831**
Bank and other loans and borrowings	21	(276,267)	(225,224)	51,043
Bonds	22	(1,886,549)	(1,888,246)	(1,697)
Lease liabilities	23	(68,829)	(79,635)	(10,806)
Total non-current indebtedness		**(2,231,645)**	**(2,193,105)**	**38,540**
Current portion of bank loans and borrowings and current	21	(297,419)	(359,514)	(62,095)
Current portion of bonds	22	(18,506)	(47,813)	(29,307)
Current portion of lease liabilities	23	(71,721)	(70,792)	929
Total current indebtedness		**(387,646)**	**(478,119)**	**(90,473)**
Derivative assets	10-15	2,276	1,572	(704)
Derivative liabilities	21	-	(116)	(116)
Net financial position with unconsolidated SPEs (**)		3,229	118	(3,111)
Net other financial assets		**5,505**	**1,574**	**(3,931)**
Net financial position- continuing operations		**265,185**	**438,152**	**172,967**
Net financial position- discontinued operations	19	2,097	7,322	5,225
Net financial position including discontinued operations		**267,282**	**445,474**	**178,192**

(*) The note numbers refer to the notes to the condensed interim consolidated financial statements where the items are analysed in detail.

(**) This item shows the Group's net amounts due from/to unconsolidated consortia and consortium companies operating under a cost recharging system. The balance reflects the group's share of cash and cash equivalents or debt of the SPEs. The items making up these balances are shown under trade receivables and payables, respectively, in the condensed interim consolidated financial statements.

More information about changes in the Group's net financial position during the six months is available in the Directors' report.

24.2 Financial indebtedness as per ESMA Guidelines of 4 March 2021

	(€'000)	Note (*)	31 December 2022	of which: related parties	30 June 2023	of which: related parties
A	Cash	18	1,921,177		2,114,390	
B	Cash equivalents		-		-	
C	Other current financial assets	10	15,687	72,437	12,861	94,776
D	**Cash and cash equivalents (A+B+C)**		**1,936,864**		**2,127,251**	
E	Current loans and borrowings (including debt instruments but excluding the current portion of non-current loans and borrowings)	21	29,585	13,390	41,126	11,276
F	Current portion of non-current loans and borrowings	21	358,061		436,994	
G	**Current financial indebtedness (E+F)**		**387,646**		**478,119**	
H	**Net current financial position (G-D)**		**(1,549,218)**		**(1,649,132)**	
I	Non-current loans and borrowings (excluding their current portion and debt instruments)	21	2,231,645	6,309	2,193,105	6,719
J	Debt instruments		-		-	
K	Trade payables and other non-current liabilities		8,500		6,590	
L	**Non-current financial indebtedness (I+J+K)**		**2,240,145**		**2,199,695**	
M	**Net financial indebtedness (H+L)**		**690,927**		**550,563**	

(*) The note numbers refer to the notes to the condensed interim consolidated financial statements where the items are analysed in detail.

The next table provides a reconciliation between the Group's financial indebtedness as per the ESMA guidelines of 4 March 2021 and its net financial position according to the management accounts:

(€'000)	31 December 2022	30 June 2023
Difference	**958,209**	**996,037**
Due to:		
Non-current financial assets	518,439	513,551
Current financial assets with a maturity of more than 90 days (*)	423,668	467,000
Derivatives	2,276	1,456
Net financial position with unconsolidated SPEs	3,229	118
Net financial position- discontinued operations	2,097	7,322
Non-current portion of trade payables	8,500	6,590
Total difference	**958,209**	**996,037**

(*) The exclusion of current financial assets with a maturity of more than 90 days is based on current professional guidance.

25. Post-employment benefits and other employee benefits

Employee benefits mostly consist of the Italian post-employment benefits regulated by article 2120 of the Italian Civil Code and the defined benefit plans for Lane Group's full-time employees.

Post-employment benefits governed by article 2120 of the Italian Civil Code

The liability for post-employment benefits (TFR) recognised in the Group's statement of financial position, net of any advances paid, reflects (i) for companies with more than 50 employees, the residual obligation for the Group for the benefits vested up to 31 December 2006 that will be paid when the employees leave the company, and (ii) for the other companies, the accumulated benefits accrued by employees over their employment term, recognised on an accruals basis on the basis of the service necessary to accrue them.

Main assumptions

The main assumptions used for the actuarial estimate of the TFR at the reporting date are:

- turnover rate: 7.25%;
- advance payment rate: 3%;
- inflation rate: 2.3%.

The Group has used the Eurocomposite AA index, which has an average financial duration in line with the fund being valued, to calculate the discount rate.

Other defined benefit plans

The item mainly consists of the liability for Lane Group's defined benefit plan for its full-time employees. This liability is calculated on the basis of the employees' years of service and remuneration and is subjected to an actuarial valuation. Lane Group also provides healthcare cover to retired employees, hired before 31 December 1992 with at least 20 years of service.

Composition and changes in employee benefits

The following tables provide a breakdown of this item and changes of the period:

(€'000)	31 December 2022	Accruals	Payments	Contributions paid to INPS treasury and other funds	Net actuarial losses	Other changes	30 June 2023
Post-employment benefits and employee benefits	52,606	13,632	(12,770)	(735)	(658)	699	52,774

Management availed of the services of leading independent experts to perform the actuarial calculation of the employee benefits.

26. Provisions for risks

These provisions are summarised in the following table:

(€'000)	31 December 2022	30 June 2023	Variation
Provisions for risks on equity investments	95,383	94,178	(1,205)
Other provisions	103,496	102,434	(1,062)
Total	**198,879**	**196,612**	**(2,267)**

The provisions for risks on equity investments relate to the group's legal obligations to cover its investees' losses exceeding their equities. The decrease is mostly attributable to the associate Fisia Abeima LLC.

Other provisions comprise:

(€'000)	31 December 2022	30 June 2023	Variation
Provisions set up by entities in liquidation	8,553	8,503	(50)
USW Campania projects	25,031	25,031	-
Provision for ongoing litigation	15,292	15,332	40
Provisions for risks relating to ongoing contracts	22,529	23,287	758
Other	32,091	30,281	(1,810)
Total	**103,496**	**102,434**	**(1,062)**

The other provisions are briefly commented on below:

- the provisions set up by entities in liquidation include accruals made for probable charges related to the closing of contracts and possible developments in ongoing litigation;
- the provision for the USW Campania projects mainly consists of the estimated potential costs for the environmental remediation. The "Main risk factors and uncertainties" section in the Directors' report includes a description of the litigation and risks related to the USW Campania projects;
- the provision for ongoing litigation mostly relates to litigation in Canada and Europe;
- in accordance with paragraphs 66-69 of IAS 37- Provisions, contingent liabilities and contingent assets, the provisions for risks relating to ongoing contracts cover the estimated costs to fulfil certain onerous contracts, mainly in Italy, Poland and Chile. The increase of €0.8 million in the period is mostly related to Lane Group;
- "Other" relates to additional probable obligations recognised in connection with third party claims and group companies' commitments, chiefly in Italy and the US.

Changes in the item in the period are summarised below:

(€'000)	31 December 2022	Accruals	(Utilisations / Releases)	Change in consolidation scope	Exchange gains (losses) and other changes	30 June 2023
Total	**103,496**	**8,371**	**(6,749)**	**9**	**(2,693)**	**102,434**

Accruals of a net €1.6 million mainly relate to the updating of valuations about the costs necessary to fulfil certain onerous contracts.

More information is available in the section on the "Main risk factors and uncertainties" in the Directors' report.

27. Trade payables

This item is made up as follows:

(€'000)	31 December 2022	30 June 2023	Variation
Third parties	3,649,654	4,051,854	402,200
Unconsolidated group companies and other related parties	242,075	216,676	(25,399)
Total	**3,891,729**	**4,268,531**	**376,802**

The increase of €402.2 million in trade payables to third parties is mostly due to: (i) payables of €205.4 million to consortium partners for the recently-acquired railway projects in Italy (three new lots of the Palermo- Catania - Messina railway line, the Trento rail by-pass and the Salerno- Reggio Calabria railway line), and (ii) the contracts that contributed the most to revenue in Australia (Snowy Hydro 2.0 for €25.7 million), Saudi Arabia (€65.5 million for the subsidiary Salini Saudi Arabia Company Ltd) and Romania (€24.2 million). The €31.1 million increase in Oceania is due to the acquisition of the Clough assets and liabilities.

The trade payables due to consortium partners for the above-mentioned Italian railway projects are offset by an increase in trade receivables due from the same partners for the same projects.

Trade payables to unconsolidated group companies and other related parties mainly consist of payables to unconsolidated SPEs for work performed by them on behalf of public administrations. The decrease in this item relates to the associate Brennero Tunnel Construction S.C. a r.l. and Fincantieri Infrastrutture S.p.A..

At 30 June 2023, the item includes €32.5 million (nil at 31 December 2022) due to consortia and consortia companies (SPEs) that operate by recharging costs and are not included in the consolidation scope at the reporting date.

28. Current tax liabilities and other current tax liabilities

28.1 Current tax liabilities

Current tax liabilities are made up as follows:

(€'000)	31 December 2022	30 June 2023	Variation
IRES	4,430	11,191	6,761
IRAP	13,832	18,518	4,686
Foreign taxes	67,072	63,927	(3,145)
Total	**85,334**	**93,636**	**8,302**

28.2 Other current tax liabilities

Other current tax liabilities are broken down in the following table:

(€'000)	31 December 2022	30 June 2023	Variation
VAT	65,333	56,121	(9,212)
Other indirect taxes	24,848	22,097	(2,751)
Total	**90,181**	**78,218**	**(11,963)**

29. Other current liabilities

Other current liabilities are made up as follows:

(€'000)	31 December 2022	30 June 2023	Variation
State bodies	33,288	33,288	-
Other liabilities	232,656	241,154	8,498
Employees	120,116	130,449	10,333
Social security institutions	38,845	43,854	5,009
Unconsolidated group companies and other related parties	62,853	46,343	(16,510)
Compensation and compulsory purchases	85,145	75,951	(9,194)
Positive difference from business combination	-	52,961	52,961
Accrued expenses and deferred income	47,745	49,958	2,213
Total	**620,648**	**673,958**	**53,310**

"State bodies" (€33.3 million) entirely relate to the transactions with the commissioner, the provincial authorities and municipalities of Campania in connection with the USW Campania projects. Reference should be made to the "Main risk factors and uncertainties" section in the Directors' report for more information about the complicated situation surrounding the USW Campania projects.

"Other liabilities" of €241.2 million (€232.7 million at 31 December 2022) include (i) amounts collected as part of the definitive settlement of certain pending disputes relating to the USW Campania projects (€47.1 million), (ii) liabilities to the customers of some projects in Poland (about €30 million), and (iii) additional liabilities, mainly for commissions on contractual sureties, insurance premiums and other residual amounts related to the recently-awarded contracts in Italy.

Liabilities to unconsolidated group companies and other related parties decreased by €16.5 million and mostly relate to Lane Group's joint ventures.

"Compensation and compulsory purchases" include €71.9 million (€81.4 million at 31 December 2022) related to the high-speed/capacity Verona- Padua railway line contract.

The positive difference from business combination includes the difference between the provisionally-determined fair value of the net assets acquired and the related consideration transferred, calculated as part of the PPA procedure for Clough Group[7].

30. Guarantees, commitments, risks and contingent liabilities

30.1 Guarantees and commitments

The key guarantees given by the Group are set out below:

(€'000)	31 December 2022	30 June 2023
Contractual sureties	20,265,418	20,390,284
Sureties for bank loans	106,332	103,363
Sureties for export credit	5,829	5,070
Other	2,206,773	2,993,551
Total	**22,584,352**	**23,492,268**

Contractual sureties are given to customers as performance bonds, to guarantee advances and retentions for all ongoing contracts or involvement in tenders. Of the balance, €7,018.6 million (€8,117.1 million at 31 December 2022) refers to sureties given directly by Lane Group.

[7] More information is available in note 4 "Business combinations".

30.2 Collateral

Collateral relates to a lien on the shares of an SPE (€13.3 million).

30.3 Tax disputes

<u>Webuild S.p.A.</u>

With respect to the principal disputes with the tax authorities:

- after their tax inspection into 2015, the tax authorities notified the Constructor M2 Lima Consortium of an assessment notice claiming approximately €15.9 million. The main allegation made by the local tax authorities (SUNAT) is due to a different interpretation of the accounting treatment of revenue from contracts with customers for work carried out under the IFRS. The parent's investment in the consortium is 25.5%, which means the portion of assessed tax attributable to it is about €4.06 million. Since the consortium deems that the accounting treatment it adopted is correct, it challenged the above assessment notice within the term prescribed by the local law.

Furthermore, considering the demerger and the principal disputes of the former Astaldi (now Astaris) with the tax authorities:

- in 2016, the El Salvadoran branch received an assessment notice from the local tax authorities relating to its tax base and related income taxes for 2012. In this assessment, the local tax authorities alleged: (i) undeclared revenue of USD23.5 million for the proceeds arising from the out-of-court agreement settling the dispute related to the El Chaparral hydroelectric power plant project, (ii) interest income of USD0.8 million allegedly accrued on intragroup loans, (iii) revenue and income reported as tax-exempt or non-taxable amounting to USD13.4 million, and (iv) costs of USD15.4 million whose deductibility was contested. As a result, the local tax authorities recalculated the income tax due by the branch for 2012 and assessed higher taxes of USD9.1 million, plus fines and interest of USD4.5 million. With the assistance of its advisors, the branch has commenced the procedures to challenge all assessments.

In Italy:

- on 28 August 2020, the Italian tax authorities notified Astaldi of a recovery notice for alleged undue offsetting of excess VAT transferred by its subsidiaries under the 2017 group VAT scheme. The assessed amount is €4.8 million, plus fines and interest of €1.4 million and €0.5 million, respectively. The recalculation also led to the disallowance of both the reimbursement and the authorisation to carry forward. Astaldi challenged both the recovery notice and the disallowance of the reimbursement in court. The Rome Provincial Tax Commission allowed Astaldi's appeal about the recovery notice and the tax authorities presented a counter-appeal on 18 November 2022. With respect to the second appeal, the second level ruling was unfavourable to the group company which still has time to resort to the Supreme Court. Should it lose the case, it will carry forward a higher amount of VAT assets and will solely bear the related fines and interest.

With respect to the above pending disputes, after consulting its legal advisors, Webuild believes that it has acted correctly and deems that the risk of an adverse ruling is not probable.

<u>Fibe S.p.A.</u>

Fibe has a pending dispute about the assessment notice for 2003 IREPG, IRAP and VAT issued by the tax authorities about assessed taxes of €6.5 million (for undue deduction of costs contrary to the principle of pertinence/accruals basis and undue deduction of VAT as a result of the application of a higher-than-allowed rate).

The Supreme Court has referred the dispute to the Campania Regional Tax Commission, before which the subsidiary has duly resumed the proceeding.

With respect to the above pending dispute, after consulting its legal advisors, the subsidiary believes that it has acted correctly and deems that the risk of an adverse ruling is not probable.

COMERI S.p.A.

In 2015, the tax authorities notified COMERI of the assessment notice that repeated the same issues raised in a preliminary assessment report issued by the tax police. The group company promptly appealed against the above-mentioned notice and concurrently started discussions with the tax authorities to obtain the administrative cancellation of the assessment. The Rome Provincial Tax Commission allowed the appeal with ruling no. 29543/50/16 handed down on 17 November 2016 and filed on 20 December 2016. The Lazio Regional Tax Commission reviewed the first level hearing on 14 April 2021 and accepted the tax authorities' appeal with its ruling no. 1902/17/2021. The group company promptly appealed this second level ruling before the Supreme Court. The above preliminary assessment report challenges the tax treatment of the out-of-court agreement signed by the group company and ANAS S.p.A. on 3 May 2010 to settle the technical claims recognised in the work site's accounts up to 31 December 2008. The tax police had mistakenly considered the amounts as additional consideration rather than compensation for damage, therefore applying VAT at 20%. Furthermore, COMERI had previously submitted the out-of-court agreement in question to the tax authorities on 15 June 2010, which requested and accepted payment of the proportional registration tax on the above claims, confirming, by conduct, that they should be subject to indirect taxes, having considered them to have a compensation nature and being, therefore, VAT-exempt. The tax authorities claimed unpaid VAT of €8.5 million and fines and interest of €10.6 million. Supported by the opinion of its advisors, the group company believes that the risk of losing the case is possible but not probable. The group company is considering whether to voluntary agree to the settlement procedure for the tax disputes pending before the Supreme Court as per article 1.186-202 of Law no. 197 of 29 December 2022 (the 2023 budget act), whereby the dispute is settled by solely paying the assessed tax, which in this case the group company would recharge to its customer.

Obrainsa – Astaldi Consortium

In August 2021, as the result of an audit commenced by the local tax authorities in 2019, the Obrainsa - Astaldi Consortium (Peru) received an assessment notice disallowing the deduction of some costs. The amount in question is SOL38.9 million (the equivalent of roughly €9.4 million), of which Astaris' share is SOL19.9 million (the equivalent of roughly €4.8 million) based on its 51% interest in the consortium.

Assisted by its local advisors, the consortium has activated the relevant procedures to challenge the notice and present its reasons supporting the correctness of its approach. Considering the current progress of the dispute, the consortium believes that the risk of losing is possible, but not probable.

Statement of profit or loss

31. Revenue

Revenue and other income are made up as follows:

(€'000)	1st half 2022	1st half 2023	Variation
Revenue from contracts with customers	3,637,002	4,308,898	671,896
Other income	198,479	227,138	28,659
Total	**3,835,481**	**4,536,036**	**700,555**

Revenue increased by a net €700.6 million mostly earned on projects underway in Italy, Oceania (Australia), the Middle East (Saudi Arabia), Europe (Romania) and Asia (Tajikistan).

31.1 Revenue from contracts with customers

A breakdown of revenue from contracts with customers is given in the following table:

(€'000)	1st half 2022	1st half 2023	Variation
Works invoiced to customers	3,576,797	4,243,291	666,494
Services	57,395	57,377	(18)
Sales	2,810	8,271	5,461
Real estate projects	-	(41)	(41)
Total	**3,637,002**	**4,308,898**	**671,896**

A breakdown of revenue from contracts with customers by geographical segment is as follows:

(€'000)	1st half 2022	Percentage of total	1st half 2023	Percentage of total
Italy	**945,290**	**26%**	**1,209,382**	**28%**
Oceania	526,000	14%	944,622	22%
EU (excluding Italy)	369,465	10%	398,791	9%
Americas (excluding Lane)	395,461	11%	249,522	6%
Other European countries (non-EU)	297,089	8%	174,136	4%
Africa	242,081	7%	236,116	5%
Middle East	156,601	4%	415,175	10%
Asia	90,960	3%	117,807	3%
Abroad	**2,077,657**	**57%**	**2,536,169**	**58%**
Lane	**614,055**	**17%**	**563,347**	**13%**
Total	**3,637,002**	**100%**	**4,308,898**	**100%**

Revenue from contracts with customers increased by €671.9 million (approximately 18.5%) on the corresponding period of the previous year.

The main contributors to revenue are:

- the projects underway in Italy that benefited, inter alia, from the positive effects of the National Recovery and Resilience Plan, such as the high-speed/capacity Verona- Padua, Milan- Genoa, Naples- Bari and Palermo- Catania- Messina railway lines and maxi-lot 3 of the SS-106 state road Jonica;

- progress on the ongoing large foreign projects including, in particular, in (i) Australia (Snowy 2.0 and North East Link Project as well as the effects of the acquisition of Clough Group during the period), (ii) Saudi Arabia (SANG Villas, Diriyah-Super Basement and Line 3 of the Riyadh Metro), (iii) Romania (Braila Bridge and Sibiu Pitesti Motorway- Lots 3 and 5), and (iv) Tajikistan (Rogun Hydropower Project).

Variable consideration made up 11.1% of revenue from contracts with customers during the period.

The transaction price of ongoing contracts allocated to the unsatisfied performance obligations amounts to €43,810.4 million at the reporting date. The Group will recognise this amount as revenue in future periods in line with the available forecasts.

31.2 Other income

A breakdown of other income is given in the following table:

(€'000)	1st half 2022	1st half 2023	Variation
Recharged costs	72,795	65,280	(7,515)
Other income from joint ventures and consortia	58,960	97,642	38,682
Gains on the disposal of non-current assets	7,640	7,382	(258)
Insurance compensation	2,495	1,310	(1,185)
Other	56,589	55,524	(1,065)
Total	**198,479**	**227,138**	**28,659**

The increase in this item is mostly due to the recharging of costs to consortium partners, mostly related to the high-speed/capacity Verona- Padua railway contract, the high-speed/capacity Palermo- Catania- Messina railway contract and the new Genoa Breakwater.

32. Operating expenses

The item may be broken down as follows:

(€'000)	1st half 2022	1st half 2023	Variation
Purchases	636,150	797,450	161,300
Subcontracts	1,160,871	1,395,746	234,875
Services	947,111	1,024,653	77,542
Personnel expenses	667,613	847,288	179,675
Other operating expenses	168,067	178,960	10,893
Amortisation, depreciation, provisions and impairment losses	216,277	183,586	(32,691)
Total	**3,796,089**	**4,427,683**	**631,594**

The increase in this item principally reflects the production trends of the six months with greater volumes achieved (see note 31) for projects in Italy, Oceania (Australia), the Middle East (Saudi Arabia), Europe (Romania) and Asia (Tajikistan).

During the first half of 2023, the prices of raw materials and commodities gradually stabilised after the spiralling inflation seen in 2022. However, management of supply chains continues to focus on strengthening the existing mitigation measures introduced to contain price increases. The group's contracts with customers usually include price adjustment clauses. More information is available in the "Russia- Ukraine crisis" section in the Directors' report.

The composition of this item may vary from one reporting period to another, including in relation to the same project and with identical production volumes, due to changes made by management to the industrial operating model. Moreover, as these are large-scale infrastructural works that take several years to complete, resort to normal production factors for any one contract depends on the stage of completion of each one in any given year. These changes may generate significant variations in the percentage of the related cost categories depending on the contract and the year, while not affecting the total percentage of costs of total revenue.

Additional information about the operating expenses is provided below.

Services

Services are broken down below:

(€'000)	1st half 2022	1st half 2023	Variation
Consultancy and technical services	478,670	489,400	10,730
Recharging of costs by consortia	98,086	80,110	(17,976)
Leases	150,474	168,115	17,641
Transport and customs	66,094	86,904	20,810
Insurance	47,108	60,120	13,012
Maintenance	34,343	37,836	3,493
Fees to directors, statutory auditors and independent auditors	9,068	8,258	(810)
Other	63,268	93,910	30,642
Total	**947,111**	**1,024,653**	**77,542**

Personnel expenses

This item is broken down below:

(€'000)	1st half 2022	1st half 2023	Variation
Wages and salaries	494,335	636,930	142,595
Social security and pension contributions	117,033	131,755	14,722
Post-employment benefits and employee benefits	10,889	13,632	2,743
Other	45,356	64,971	19,615
Total	**667,613**	**847,288**	**179,675**

The following table shows the breakdown of the Group's workforce by category at 30 June 2023 and the related average number for the six months:

	31 December 2022	30 June 2023	2022 average	1st half 2023 average
Managers	463	506	468	505
White collars	9,830	11,059	9,593	11,020
Blue collars	25,701	26,435	24,941	26,626
Total	**35,994**	**38,000**	**35,002**	**38,151**

Other operating expenses

Other operating expenses are made up as follows:

(€'000)	1st half 2022	1st half 2023	Variation
Other operating costs	68,395	75,012	6,617
Commissions on sureties	71,245	81,513	10,268
Losses on disposals	6,192	1,443	(4,749)
Bank charges	2,772	3,354	582
Other non-recurring costs	19,463	17,638	(1,825)
Total	**168,067**	**178,960**	**10,893**

Net impairment losses

Net impairment losses amount to €0.5 million compared to €53.8 million in the corresponding period of the previous year.

The balance for the first half of 2022 included the impairment losses of €52.3 million recognised on the Group's exposure in Ukraine (trade receivables and other assets).

Amortisation and depreciation

Amortisation and depreciation are broken down below:

(€'000)	1st half 2022	1st half 2023	Variation
Depreciation of property, plant and equipment	77,882	101,953	24,071
Depreciation of right-of-use assets	39,433	29,949	(9,484)
Amortisation of contract costs	54,726	48,238	(6,488)
Amortisation of rights to infrastructure under concession	187	80	(107)
Amortisation of intangible assets	449	1,218	769
Total	**172,677**	**181,438**	**8,761**

Depreciation of property, plant and equipment increased by €24.1 million in the period, mostly related to the Snowy 2.0 project in Australia.

Amortisation of contract costs includes €33.6 million (€36.9 million in the corresponding period of 2022) for the EPC order backlog recognised as part of the PPA procedure for the former Astaldi.

Net accruals

This item of €1.6 million mostly consists of the revised estimate of the cost to fulfil onerous contracts in the United States (Lane Group).

33. Net financing costs

(€'000)	1st half 2022	1st half 2023	Variation
Financial income	66,724	32,331	(34,393)
Financial expense	(88,884)	(110,681)	(21,797)
Net exchange gains	71,698	10,206	(61,492)
Net financing income (costs)	**49,538**	**(68,144)**	**(117,682)**

33.1 Financial income

Financial income is broken down in the following table:

(€'000)	1st half 2022	1st half 2023	Variation
Interest and other financial income	54,310	19,247	(35,063)
- Other	34,406	9,815	(24,591)
- Interest on receivables	17,345	630	(16,715)
- Bank interest	2,559	8,802	6,243
Interest and other income from unconsolidated group companies and other related parties	8,938	8,357	(581)
Income from inflation adjustment	1,980	2,457	477
Gains on securities	1,496	2,270	774
Total	66,724	32,331	(34,393)

The decrease in financial income is mostly due to the recognition in the corresponding period of 2022 of the prior year income from the discharging of debts of the subsidiary Afragola FS of €18.0 million and the interest of €11.0 million collected after settlement of the dispute with the customer about Lot 4 of the Orastie- Sibiu Motorway in Romania.

33.2 Financial expense

Financial expense is broken down in the following table:

(€'000)	1st half 2022	1st half 2023	Variation
Intragroup interest and other expense	(2,751)	(1,589)	1,162
Interest and other financial expense	(86,133)	(109,092)	(22,959)
- Interest on bonds	(38,611)	(40,085)	(1,474)
- Other	(12,535)	(19,311)	(6,776)
- Interest on bank accounts and financing	(12,922)	(24,483)	(11,561)
- Bank fees	(10,736)	(11,379)	(643)
- Interest on tax liabilities	(517)	(1,391)	(874)
- Expense for inflation adjustments	(7,546)	(9,054)	(1,508)
- Leases	(3,266)	(3,389)	(123)
Total	(88,884)	(110,681)	(21,797)

The €21.8 million increase in financial expense is mostly due to the floating-rate financial indebtedness, as a result of the rise in interest rates at international level.

33.3 Net exchange gains

Net exchange gains of €10.2 million mostly relate to the Euro's performance against the Ethiopian birr and the Nigerian naira. This item had benefited from the US dollar's strong appreciation against the Euro in the first half of 2022.

34. Net losses on equity investments

Net losses on equity investments are made up as follows:

(€'000)	1st half 2022	1st half 2023	Variation
Share of loss of equity-accounted investees	(4,448)	(27,709)	(23,261)
Dividends	15	9	(6)
Gains (losses) on the disposal of equity investments	(112)	-	112
Other income	138	60	(78)
Total	**(4,407)**	**(27,640)**	**(23,233)**

The "Share of loss of equity-accounted investees" mostly relates to the loss for the period of €30.6 million recognised by the associate Grupo Unidos por el Canal S.A. as a result of the award issued by the International Chamber of Commerce on 17 May 2023. More information is available in the "Main risk factors and uncertainties" section in the Directors' report.

35. Income taxes

Income taxes are broken down in the following table:

(€'000)	1st half 2022	1st half 2023	Variation
Current taxes (income taxes)	48,692	42,941	(5,751)
Deferred taxes	(3,470)	(21,738)	(18,268)
Prior year taxes	3,190	12,286	9,096
Total	**48,412**	**33,489**	**(14,923)**
IRAP	3,093	7,162	4,069
Total	**51,505**	**40,651**	**(10,854)**

The Group's income taxes for the period are mainly affected by permanent differences, partly offset by the recovery of foreign taxes, following the occurrence of the conditions provided for by legislation governing their recovery.

36. Earnings (loss) per share

The calculation of basic earnings (loss) per share is shown in the following table:

(€'000)	1st half 2022	1st half 2023
Profit (loss) from continuing operations	33,018	(28,082)
Non-controlling interests	(23,823)	(4,352)
Profit (loss) from continuing operations attributable to the owners of the parent	**9,195**	**(32,434)**
Profit (loss) from continuing and discontinued operations	18,252	(28,702)
Non-controlling interests	(23,823)	(4,352)
Loss from continuing and discontinued operations attributable to the owners of the parent	**(5,571)**	**(33,054)**
Profit earmarked for 1,615 thousand savings shares	**588**	**588**
no. of shares /000		
Average outstanding ordinary shares	**983,961**	**975,467**
Diluting effect	15,223	14,392
Average number of diluted shares	**999,184**	**989,859**
Euro per share		
Basic earnings (loss) per share (from continuing operations)	0.01	(0.03)
Basic loss per share (from continuing and discontinued operations)	(0.01)	(0.03)
Diluted earnings (loss) per share (from continuing operations)	0.01	(0.03)
Diluted loss per share (from continuing and discontinued operations)	(0.01)	(0.03)

Note 20 "Equity" provides information on the weighted average number of shares used to calculate the earnings (loss) per share.

At the date of preparation of these condensed interim consolidated financial statements, there are no diluting effects caused by the potential increase in the number of ordinary shares in circulation related to the financial instruments issued by the parent.

37. Related party transactions

Related party transactions carried out during the period involved the following counterparties:

- directors, statutory auditors and key management personnel, solely related to the contracts regulating their positions within Webuild Group;
- associates and joint arrangements; these transactions mainly relate to:
  - commercial assistance with purchases and procurement of services necessary to carry out work on contracts, contracting and subcontracting;
  - services (technical, organisational, legal and administrative), carried out at centralised level;
  - financial transactions, namely loans and joint current accounts as part of cash pooling transactions and guarantees given on behalf of group companies.

  Most of the Group's production is carried out through SPEs, set up with other partners that have participated with Webuild in calls for tenders. The SPEs carry out the related contracts on behalf of their partners. These transactions refer to revenue and costs for design and similar activities, incurred when presenting bids and over the contracts' term. A significant number of the transactions with group companies are with consortia, consortium companies and similar companies that operate by recharging costs and revenue as per their by-laws. Therefore, the intragroup relationship is substantially represented by the group companies' relationships with unrelated parties.

All the above transactions are part of the Group's normal business activities given that, in order to complete its contracts, Webuild mostly operates through SPEs.

Transactions are carried out with associates and joint arrangements in the interests of Webuild, aimed at building on existing synergies in the Group in terms of production and sales integration, efficient use of existing skills, streamlining of centralised structures and financial resources. These transactions are regulated by specific contracts and are carried out on an arm's length basis.

Transactions with group companies performed during the period are presented in the "Group entities" column of the table showing related party transactions at the end of this note;

- other related parties: the main transactions with other related parties, identified pursuant to IAS 24, including companies managed and coordinated by Salini Costruttori S.p.A., are summarised below:

Related party (€'000)	Loans and receivables	Financial assets	Other assets	Trade payables	Lease liabilities	Guarantees	Total revenue	Total operating expenses	Net financing income (costs)
Salini Costruttori:									
Casada S.r.l.	169	-	-	-	-	-	7	-	-
CEDIV S.p.A.	2,572	3,241	-	-	-	-	12	-	104
C.Tiburtino	159	-	-	-	-	-	7	-	-
Dirlan S.r.l.	161	-	-	-	-	-	8	-	-
G.A.B.I.RE S.r.l.	4,555	18,001	-	-	-	-	9	-	580
Galla Placida S.c.a.r.l.	174	-	-	-	-	-	8	-	-
Imm. Agricola San Vittorino S.r.l.	221	-	-	-	-	-	6	-	-
Infernetto S.r.l.	58	-	-	-	-	-	4	-	-
Madonna dei Monti S.r.l.	116	-	-	-	-	-	8	-	-
Nores S.r.l.	108	-	-	-	-	-	4	-	-
Plus S.r.l.	225	-	-	-	-	-	13	-	-
Salini S.p.A.	51	-	-	-	-	-	14	-	-
Salini Costruttori S.p.A.	-	4,030	11,955	-	-	276,265	70	(1,831)	137
Zeis S.r.l.	8	3,144	-	-	-	-	141	-	65
C.D.P.:									
CDP S.p.A.	-	-	765	(492)	-	1,067,338	-	(3,809)	-
Eni S.p.A.	-	-	-	(112)	-	-	-	(169)	-
Fincantieri Infrastruc. S.p.A.	37	-	-	(8,206)	-	-	-	(4,999)	-
Fincantieri Infr. Opere Marittime S.p.A.	69,373	30,109	-	(63,623)	-	-	6,147	(710)	243
Fintecna S.p.A.	8	-	-	(145)	-	-	11	-	-
Gruppo PSC S.p.A.	22,078	-	-	(17,073)	-	-	-	-	-
Poste Italiane S.p.A.	-	-	-	(2)	-	-	-	(5)	-
Simest S.p.A.	-	-	-	-	(6,718)	-	-	-	(202)
SNAM Rete Gas S.p.A.	-	-	-	(599)	-	-	-	(29)	-
Tamini Trasformatori S.r.l.	-	-	-	(283)	-	-	-	-	-
Terna S.p.A.	-	-	-	(8,294)	-	-	-	(720)	-
Terna Rete Italia S.p.A.	-	-	-	-	-	-	-	(6)	-
Other:	120	-	-	-	-	-	7	-	-
Total	**100,193**	**58,525**	**12,720**	**(98,829)**	**(6,718)**	**1,343,603**	**6,476**	**(12,278)**	**927**

Transactions with Salini Costruttori and its subsidiaries mostly refer to service contracts for tax, administration, corporate and HR assistance.

With respect to the guarantees provided by Salini Costruttori, they are measured using a group intragroup guarantee pricing policy on a case-by-case basis (e.g., considering the reference market, type of entity/agreement and type of guarantee). This policy complies with the OECD guidelines and is reviewed once a year. The cost to the Group of applying the policy in the first half of 2023 is €1.8 million.

Since 2020, Cassa Depositi e Prestiti S.p.A. ("CDP") and its subsidiaries and associates have been included in the list of related parties as CDP has significant influence over Webuild. Transactions with these related parties include in particular the guarantees issued by CDP for advance payment bonds, performance bonds and other guarantees to customers.

The most significant transactions include subcontracting contracts agreed with Fincantieri for foreign and Italian contracts for a total cost of €5 million for the period and transactions with Fincantieri Infrastrutture Opere Marittime S.p.A. for the management of the PerGenova Breakwater Consortium's operations in accordance with its by-laws.

The above transactions qualify as ordinary transactions agreed at conditions identical to those that would be stipulated on the market or that are standard, based on the parent's related party transactions procedure. Therefore, they are exempt from such procedure.

Guarantees refer to documentary credit obtained from Cassa Depositi e Prestiti S.p.A. in the period, classified as significant transactions pursuant to the Related Party Transactions Regulation adopted by Consob with resolution no. 17221 of 12 March 2010 (as subsequently amended). Specifically, these transactions related to the following contracts:

- the Messina- Catania- Palermo railway line, lots 1 and 2, Kassar Consortium (€227.4 million);
- the Trento rail by-pass, Tridentum Consortium (€124.9 million, of which Webuild is directly at risk for €62.5 million);
- the high-speed Salerno- Reggio Calabria railway line, lot 1, Xenia Consortium (€227.8 million, of which Webuild is directly at risk for €63 million);
- the Messina- Catania- Palermo railway line, lot 3, Triscelio 3 Consortium (€120.7 million).

The above transactions classify as "major" as the ratio between the amount involved (the maximum amount available under the contract) and equity as per Webuild's statement of financial position as at 31 December 2022 is above 5%.

The disclosure required by the Related Party Transactions Procedure has been provided to both the related party transactions committee and Consob, as required by article 13.3.c.i of the Related Party Transactions Regulation.

(€'000)	Total at 30 June 2023	Group entity	Other related parties	Total	%
Non-current financial assets	513,551	302,394	1,050	303,444	59.1%
Trade receivables	3,326,765	354,141	100,193	454,334	13.7%
Current financial assets	481,433	37,301	57,475	94,776	19.7%
Other current assets	944,869	8,352	12,721	21,073	2.2%
Non-current assets held for sale and disposal groups	21,161	4.505	-	4.505	21.3%
Non-current portion of lease liabilities	79,635	-	-	-	0.0%
Bank loans and borrowings	225,224	-	6,719	6,719	3.0%
Current portion of loans	359,514	11,276	-	11,276	3.3%
Current portion of lease liabilities	70,792	-	-	-	0.0%
Trade payables	4,268,531	117,846	98,830	216,676	5.1%
Other current liabilities	673,959	51,188	-	51,188	7.9%

(€'000)	Total 1st half 2023	Group entity	Other related parties	Total	%
Revenue from contracts with customers	4,308,898	107,763	227	107,990	2.5%
Other income	227,138	14,034	6,250	20,283	8.9%
Purchases	(797,450)	(61)	(169)	(229)	0.0%
Subcontracts	(1,395,746)	-	(782)	(782)	-0.1%
Services	(1,024,653)	(100,931)	(6,884)	(107,815)	-10.5%
Personnel expenses	(847,288)	(58)	-	(58)	0.0%
Other operating expenses	(178,960)	(3,312)	(4,531)	(7,843)	-4.4%
Impairment losses	(526)	-	-	-	0.0%
Amortisation, depreciation and provisions	(183,060)	-	-	-	0.0%
Financial income	32,331	7,227	1,130	8,357	20.0%
Financial expense	(110,681)	(1,386)	(202)	(1,589)	-1.3%

38. Events after the reporting date

Other than that disclosed in the Directors' report, no events have taken place after 30 June 2023.

39. Balances or transactions arising from atypical and/or unusual transactions

During the period, Webuild Group did not carry out any atypical and/or unusual transactions, as defined in Consob communication no. DEM/6064293[8].

[8] Atypical and/or unusual transactions are those that, due to their significance and relevance, the counterparty, the object of the transaction, exchange pricing and timing, may cast doubts as to the accuracy and completeness of disclosures, conflicts of interest, protection of the Group's assets and non-controlling interests.

40. Significant non-recurring events and transactions

The Group's financial position, financial performance and cash flows were not affected by significant non-recurring events and transactions, as defined by Consob communication no. DEM/6064293[9].

On behalf of the board of directors

Chairman

Donato Iacovone

(signed on the original)

[9] Significant non-recurring events and transactions are those that do not frequently occur in the normal course of business.

List of Webuild Group companies

List of Webuild Group companies

	Country	Currency	Share/quota capital subscribed	Investment %	% direct	% indirect	Indirect parent	Consolidation or measurement method
Webuild S.p.A.	Italy	Euro	600,000,000	100	100			line-by-line
3E System S.r.l. (in liq.)	Italy	Euro	10,000	100	-	100	NBI S.p.A.	line-by-line
A1 Motorway Tuszyn-Pyrzowice lot F Joint Venture	Poland			100	94.99	5	Salini Polska Ltd. Liability	line-by-line
						0.01	HCE Costruzioni S.p.A.	
A10 S.C. a r.l. (in liq.)	Italy	Euro	10,000	62.52	-	62.52	NBI S.p.A.	line-by-line
Afragola FS S.C. a r.l. (in liq.)	Italy	Euro	10,000	100	82.54	17.46	NBI S.p.A.	line-by-line
AGN HAGA AB	Sweden	SEK	1,000	40	40			line-by-line
Aguas de Punilla Sociedad Concesionaria S.A.	Chile	CLP	40,000,000,000	99.998		99.998	Astaldi Concessions S.p.A.	line-by-line
Al Maktoum International Airport Joint Venture	United Arab Emirates			29.4		29.4	Lane Mideast Contrac. LLC	line-by-line
AR.GI. S.C.p.A. (in liq.)	Italy	Euro	35,000,000	99.99		99.99	Partecipazioni Italia S.p.A.	line-by-line
AS.M. S.C. a r.l.	Italy	Euro	10,000	75.91		75.91	Partecipazioni Italia S.p.A.	line-by-line
Astaldi Algerie-E.u.r.l.	Algeria	DZD	50,000,000	100	100			line-by-line
Astaldi Arabia Ltd.	Saudi Arabia	SAR	5,000,000	100	60	40	Astaldi International Ltd.	line-by-line
Astaldi Bulgaria Ltd. (in liq.)	Bulgaria	BGN	5,000	100	100			line-by-line
Astaldi Canada Design and Construcion Inc.	Canada	CAD	20,000	100		100	Astaldi Canada Enterp. Inc.	line-by-line
Astaldi Canada Enterprises Inc.	Canada	CAD	10,000	100	100			line-by-line
Astaldi Canada Inc.	Canada	CAD	20,000	100	100			line-by-line
Astaldi Concessions S.p.A.	Italy	Euro	300,000	100	100			line-by-line
Astaldi Construction Corporation	USA	USD	18,972,000	65.813	65.813			line-by-line
Astaldi de Venezuela C.A.	Venezuela	VED	110,300	99.803	99.803			line-by-line
Astaldi India Services LLP	India	INR	30,003,000	99.99	99.99			line-by-line
Astaldi International Inc. (in liq.)	Liberia			100	100			line-by-line
Astaldi International Ltd. (in liq.)	UK			100	100			line-by-line
Astaldi Mobilinx Hurontario GP Inc.	Canada			100		100	Astaldi Canada Enterp. Inc.	line-by-line
Astaldi Polska Sp. z.o.o. (in liq.)	Poland	PLN	120,000	100	100			line-by-line
Astaldi-Max Bogl-CCCF Joint Venture	Romania	RON	40,000	66	66			line-by-line
Astalnica S.A.	Nicaragua	NIO	2,000,000	98	98			line-by-line
Astalrom S.A.	Romania	RON	3,809,897	99.707	99.707			line-by-line

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Astur Construction and Trade A.S.	Turkey	TRY	35,500,000	100	100			line-by-line
Bovino Orsara AV	Italy	Euro	10,000	70		45	Webuild Italia S.p.A.	line-by-line
						25	Partecipazioni Italia S.p.A.	
Brennero Galleriaacque S.C. a r.l. (in liq.)	Italy	Euro	10,000	51		51	Fisia Italimpianti S.p.A.	line-by-line
C.O.MES. S.C. a r.l. (in liq.)	Italy	Euro	20,000	55		55	Partecipazioni Italia S.p.A.	line-by-line
C43 Water Management Builders	USA			100	30	70	Lane Constr. Corporation	line-by-line
Capodichino AS.M. S.C. a r.l.	Italy	Euro	10,000	66.83		66.83	Partecipazioni Italia S.p.A.	line-by-line
CDE S.C. a r.l.	Italy	Euro	10,000	60		60	Webuild Italia S.p.A.	line-by-line
Clough Curtain Joint Venture	Papua NG			65		65	Clough Niugini Ltd.	line-by-line
Clough Engineering & Integrated Solutions (CEIS) Pty Ltd.	Australia	AUD	2,000	100		100	Holding Construction Australia Pty Ltd.	line-by-line
Clough Niugini Ltd.	Papua NG	PGK	2	100		100	Holding Construction Australia Pty Ltd.	line-by-line
Clough Projects Australia Pty Ltd.	Australia	AUD	10,000,000	100		100	Holding Construction Australia Pty Ltd.	line-by-line
Clough Projects Pty Ltd.	Australia	AUD	20,000,000	100		100	Holding Construction Australia Pty Ltd.	line-by-line
CO.MERI S.p.A.	Italy	Euro	35,000,000	99.99		99.99	Partecipazioni Italia S.p.A.	line-by-line
Collegamenti Integrati Veloci C.I.V. S.p.A.	Italy	Euro	20,000	85		85	Webuild Italia S.p.A.	line-by-line
Compagnia Gestione Macchinari CO.GE.MA. S.p.A.	Italy	Euro	200,000	100	100			line-by-line
Consorcio Constructor Webuild- Cigla (florianopolis)	Brazil			100	60	40	Cigla S.A.	line-by-line
Consorcio Impregilo Yarull	Dom. Republic			70	70			line-by-line
Consortium Front Sud TETO3	Switzerland			70		70	CSC Costruzioni S.A.	line-by-line (b)
Consortium Ouest TETO4	Switzerland			70		70	CSC Costruzioni S.A.	line-by-line (b)
Consorzio Agamium	Italy	Euro	10,000	100		51	Cossi Costruzioni S.p.A.	line-by-line (a)
						49	Webuild Italia S.p.A.	
Consorzio Alta Velocità Torino/Milano- C.A.V.TO.MI.	Italy	Euro	5,000,000	96.14	96.14			line-by-line
Consorzio C.A.V.E.T.- Consorzio Alta Velocità Emilia/Toscana	Italy	Euro	5,422,797	75.983	75.983			line-by-line
Consorzio Cociv	Italy	Euro	516,457	99.999		92.753	Webuild Italia S.p.A.	line-by-line
						7.246	C.I.V. S.p.A.	
Consorzio Cossi LGV Ceneri	Switzerland			100		80	Cossi Costruzioni S.p.A.	line-by-line
						20	CSC Costruzioni S.A.	

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Consorzio Hirpinia AV	Italy	Euro	10,000	100		60	Webuild Italia S.p.A.	line-by-line
						40	Partecipazioni Italia S.p.A.	
Consorzio Iricav Due	Italy	Euro	510,000	82.93		45.44	Webuild Italia S.p.A.	line-by-line
						37.49	Partecipazioni Italia S.p.A.	
Consorzio Italvenezia (in liq.)	Italy	Euro	77,450	100		100	Partecipazioni Italia S.p.A.	line-by-line
Consorzio Kassar	Italy	Euro	10,000	75		70	Webuild Italia S.p.A.	line-by-line
						5	Seli Overseas S.p.A.	
Consorzio Libyan Expressway Contractor	Italy	Euro	10,000	78.91	78.91			line-by-line
Consorzio Palermo Catania ED	Italy	Euro	10,000	70		70	Webuild Italia S.p.A.	line-by-line
Consorzio Scilla (in liq.)	Italy	Euro	1,000	51		51	HCE Costruzioni S.p.A.	line-by-line
Consorzio Stabile Busi (in liq.)	Italy	Euro	100,000	95.025	-	94	NBI S.p.A.	line-by-line
						0.025	C.I.T.I.E. (in liq.)	
						1	3E System S.r.l. (in Liq.)	
Consorzio Stabile Operae	Italy	Euro	500,000	100		98	Partecipazioni Italia S.p.A.	line-by-line
						1	Webuild Italia S.p.A.	
						1	NBI S.p.A.	
Consorzio Tridentum	Italy	Euro	10,000	55		51	Webuild Italia S.p.A.	line-by-line
						4	Seli Overseas S.p.A.	
Consorzio Triscelio	Italy	Euro	10,000	75		70	Webuild Italia S.p.A.	line-by-line
						5	Seli Overseas S.p.A.	
Consorzio Triscelio 3	Italy	Euro	10,000	60		55	Webuild Italia S.p.A.	line-by-line
						5	Seli Overseas S.p.A.	
Consorzio Xenia	Italy	Euro	10,000	60		60	Webuild Italia S.p.A.	line-by-line
Constructora Ariguani SAS En Reorganizacion	Colombia	COP	100,000,000	100	100			line-by-line
Construtora Impregilo y Associados S.A.-CIGLA S.A.	Brazil	BRL	2,480,849	100	100		Cigla S.A.	line-by-line
Copenaghen Metro Team I/S	Denmark			99.989	99.989			line-by-line
Corso del Popolo Engineering S.C. a r.l. (in liq.)	Italy	Euro	10,000	64.707		64.707	HCE Costruzioni S.p.A.	line-by-line
Corso del Popolo S.p.A.	Italy	Euro	1,200,000	100		100	HCE Costruzioni S.p.A.	line-by-line

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Cossi Costruzioni S.p.A.	Italy	Euro	12,598,426	100	100			line-by-line
CSC Costruzioni S.A.	Switzerland	CHF	2,000,000	100	100			line-by-line
CSI Simplon Consorzio	Switzerland			100	0.01	99.99	CSC Costruzioni S.A.	line-by-line
DCSC Data Center Swiss Contractor	Switzerland			99.9		99.9	CSC Costruzioni S.A.	line-by-line
DEAS S.C. a r.l. (in liq.)	Italy	Euro	10,000	57	-	57	NBI S.p.A.	line-by-line
DIRPA 2 S.C. a r.l.	Italy	Euro	50,020,000	100	-	100	Consorzio Stabile Operae	line-by-line
DMS Design Consortium S.C. a r.l.	Italy	Euro	10,000	60	60			line-by-line
DT1 S.C. a r.l.	Italy	Euro	10,000	71.5		71.5	Cossi Costruzioni S.p.A.	line-by-line (a)
DT2 S.C. a r.l.	Italy	Euro	10,000	76.3		76.3	Cossi Costruzioni S.p.A.	line-by-line (a)
DT4-5 S.C. a r.l.	Italy	Euro	10,000	83.2		83.2	Cossi Costruzioni S.p.A.	line-by-line (a)
E20 Pty Ltd.	Australia	AUD	36,000	100		100	Holding Construction Australia Pty Ltd.	line-by-line
Fibe S.p.A.	Italy	Euro	3,500,000	99.998	99.989	0.003	Impregilo Intern. Infr. N.V.	line-by-line
						0.006	Fisia Ambiente S.p.A.	
Fisia- Alkatas Joint Venture	Turkey			51		51	Fisia Italimpianti S.p.A.	line-by-line
Fisia Ambiente S.p.A.	Italy	Euro	3,000,000	100	100			line-by-line
Fisia Italimpianti S.p.A.	Italy	Euro	3,400,000	100	100			line-by-line
Fisia LLC	Oman	OMR	250,000	70		70	Fisia Italimpianti S.p.A.	line-by-line
Fisia Muhendislik VE Insaat Anonim Sirketi	Turkey			100		100	Fisia Italimpianti S.p.A.	line-by-line
Fisia-Alkatas-Alke Joint Venture	Turkey			48		48	Fisia Italimpianti S.p.A.	line-by-line
Galfar- Salini Impregilo- Cimolai Joint Venture	Qatar			40	40			line-by-line
Garbi Linea 5 S.C. a r.l. (in liq.)	Italy	Euro	10,000	100		100	Partecipazioni Italia S.p.A.	line-by-line
GE.SAT. S.C. a r.l.	Italy	Euro	10,000	53.85		35	Partecipazioni Italia S.p.A.	line-by-line
						18.85	Astaldi Concessions S.p.A.	
Generalny Wykonawca Salini Polska- Impregilo- Kobylarnia S.A.	Poland			66.68	33.34	33.34	Salini Polska Ltd. Liability	line-by-line
Grupo ICT II SAS	Colombia	COP	9,745,180,000	100	100			line-by-line
HCE Costruzioni S.p.A.	Italy	Euro	2,186,743	100	100			line-by-line
HCE Costruzioni Ukraine LLC	Ukraine	Euro	10,000	100	1	99	HCE Costruzioni S.p.A.	line-by-line
Hirpinia Orsara AV	Italy	Euro	10,000	70		45	Webuild Italia S.p.A.	line-by-line

List of Webuild Group companies

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						25	Partecipazioni Italia S.p.A.	
Holding Construction Australia Pty Ltd.	Australia	AUD	1,000	100		100	Salini Australia Pty Ltd.	line-by-line
IGLYS S.A. Unipersonal	Argentina	ARS	10,000,000	100		100	Impregilo Intern. Infr. N.V.	line-by-line
Impregilo International Infrastructures N.V.	Netherlands	Euro	45,000	100		100	Webuild Concessions S.p.A.	line-by-line
Impregilo Lidco Libya General Contracting Co	Libya	LYD	5,000,000	60	60			line-by-line
Impregilo New Cross Ltd.	UK	GBP	2	100		100	Impregilo Intern. Infr. N.V.	line-by-line
Impregilo-SK E&C-Galfar al Misnad Joint Venture	Qatar			41.25	41.25			line-by-line
INC- Il Nuovo Castoro Algerie S.a.r.l.	Algeria	DZD	301,172,000	99.983	99.983			line-by-line
Infraflegrea Progetto S.C.p.A.	Italy	Euro	500,000	76		76	Partecipazioni Italia S.p.A.	line-by-line
IS Joint Venture	Australia			100	50	50	Salini Australia PTY Ltd.	line-by-line
Isarco S.C. a r.l.	Italy	Euro	100,000	79.98		79.98	Webuild Italia S.p.A.	line-by-line
Italstrade CCCF Joint Venture Romis S.r.l.	Romania	RON	540,000	51	51			line-by-line
Italstrade S.p.A.	Italy	Euro	611,882	100	100			line-by-line
Joint Venture Impregilo S.p.A.- S.G.F. INC S.p.A.	Greece	-	-	100	100			line-by-line
Laguna S.C. a r.l. (in liq.)	Italy	Euro	10,000	84.7	-	84.7	NBI S.p.A.	line-by-line
Lane Abrams Joint Venture	USA			51		51	Lane Constr. Corporation	line-by-line
Lane Construction Corporation	USA	USD	1,392,955	100		100	Lane Industries Incorporated	line-by-line
Lane Corman Joint Venture	USA			60		60	Lane Constr. Corporation	line-by-line
Lane DS- NC Consortium (Ada)	United Arab Emirates			24.5		24.5	Lane Mideast Contrac. LLC	line-by-line
Lane Industries Incorporated	USA	USD	5	100		100	Salini Impregilo- US Holdings Inc.	line-by-line
Lane Mideast Contracting LLC	United Arab Emirates	AED	300,000	49		49	Impregilo Intern. Infr. N.V.	line-by-line
Lane Mideast Qatar LLC	Qatar	QAR	5,000,000	49		49	Impregilo Intern. Infr. N.V.	line-by-line
LMH_lane Cabot Yard Joint Venture	USA			50		50	Lane Constr. Corporation	line-by-line
MEL PP Pty Ltd.	Australia	AUD	1,000	100		100	Salini Australia PTY Ltd.	line-by-line
MEL PP Trust	Australia	AUD	1,000	100		100	Salini Australia PTY Ltd.	line-by-line (a)
Melito S.C. a r.l. (in liq.)	Italy	Euro	77,400	66.667		66.667	HCE Costruzioni S.p.A.	line-by-line
Mercovia S.A.	Argentina	ARS	10,000,000	60		60	Impregilo Intern. Infr. N.V.	line-by-line
Messina Catania lotto Nord	Italy	Euro	10,000	70		45	Webuild Italia S.p.A.	line-by-line

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						25	Partecipazioni Italia S.p.A.	
Messina Catania lotto Sud	Italy	Euro	10,000	70		45	Webuild Italia S.p.A.	line-by-line
						25	Partecipazioni Italia S.p.A.	
Messina Stadio S.C. a r.l. (in liq.)	Italy	Euro	30,600	100	100			line-by-line
Metro B S.r.l.	Italy	Euro	20,000,000	52.52		52.52	Webuild Italia S.p.A.	line-by-line
Metro B1 S.C. a r.l.	Italy	Euro	100,000	80.7	80.7			line-by-line
Metro Blu S.C. a r.l.	Italy	Euro	10,000	100		50	Webuild Italia S.p.A.	line-by-line
						50	Partecipazioni Italia S.p.A.	
Mondial Milas-Bodrum Havalimani Uluslararasi Terminal İşletmeciliği Ve Yatirim A.S.	Turkey	TRY	37,518,000	100		100	Astaldi Concessions S.p.A.	line-by-line
Mosconi S.r.l.	Italy	Euro	100,000	100		100	Cossi Costruzioni S.p.A.	line-by-line
Napoli Cancello Alta Velocità S.C. a r.l.	Italy	Euro	10,000	100		60	Webuild Italia S.p.A.	line-by-line
						40	Partecipazioni Italia S.p.A.	
NBI Elektrik Elektromekanik Tesisat Insaat Ve Ticaret I.S.	Turkey	TRY	10,720,000	100		94.999	NBI S.p.A.	line-by-line
						5.001	Astur Construction and Trade A.S.	
NBI S.p.A.	Italy	Euro	7,500,000	100	100			line-by-line
Nuovo Ospedale Sud Est Baresen S.C. a r.l. (NOSEB S.C. a r.l.)	Italy	Euro	35,000	100		100	Partecipazioni Italia S.p.A.	line-by-line
Ospedale del Mare S.C. a r.l. (in liq.)	Italy	Euro	50,000	100		100	Partecipazioni Italia S.p.A.	line-by-line
Partecipazioni Italia S.p.A.	Italy	Euro	1,000,000	100	100			line-by-line
Partenopea Finanza di Progetto S.C.p.A. (in liq.)	Italy	Euro	9,300,000	99.99		99.99	Partecipazioni Italia S.p.A.	line-by-line
Passante Dorico S.p.A.	Italy	Euro	24,000,000	71		47	Webuild Italia S.p.A.	line-by-line
						24	Partecipazioni Italia S.p.A.	
Pedelombarda Nuova S.C.p.A.	Italy	Euro	50,000	70		45	Webuild Italia S.p.A.	line-by-line
						25	Partecipazioni Italia S.p.A.	
Pergenova Breakwater	Italy	Euro	10,000	40	40			line-by-line
PGH Ltd.	Nigeria	NGN	52,000,000	100	100			line-by-line
Pietrarossa S.C. a r.l. (in liq.)	Italy	Euro	10,200	100		100	HCE Costruzioni S.p.A.	line-by-line
Piscine dello Stadio S.r.l.	Italy	Euro	2,369,333	99.716		99.716	HCE Costruzioni S.p.A.	line-by-line
Redo-Association Momentanée	Congo			100	75	25	Astaldi Internationale Inc.	line-by-line

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	Country	Currency	Share/quota capital subscribed	Investment %	% direct	% indirect	Indirect parent	Consolidation or measurement method
Reggio Calabria- Scilla S.C.p.A. (in liq.)	Italy	Euro	35,000,000	51	51			line-by-line
RI.MA.TI. S.C. a r.l. (in liq.)	Italy	Euro	100,000	83.42	83.42			line-by-line
Rivigo Joint Venture (Nigeria) Ltd.	Nigeria	NGN	100,000,000	70		70	PGH Ltd.	line-by-line
Romairport S.r.l.	Italy	Euro	500,000	99.263	99.263			line-by-line
S. Agata FS S.C. a r.l.	Italy	Euro	20,000	100		60	Webuild Italia S.p.A.	line-by-line
						40	Partecipazioni Italia S.p.A.	
S. Filippo S.C. a r.l. (in liq.)	Italy	Euro	10,200	80	80			line-by-line
S.P.T.-Società Passante Torino S.C. a r.l. (in liq.)	Italy	Euro	50,000	82.5		82.5	Partecipazioni Italia S.p.A.	line-by-line
SA.PI. NOR Salini Impregilo- Pizzarotti Joint Venture	Norway			51	51			line-by-line
Salerno-Reggio Calabria S.C.p.A. (in liq.)	Italy	Euro	50,000,000	51	51			line-by-line
Salini Australia Pty Ltd.	Australia	AUD	4,350,000	100	100			line-by-line
Salini Impregilo- Duha Joint Venture	Slovakia			75	75			line-by-line
Salini Impregilo- Healy Joint Venture (Tunnel 3RPORT Indiana)	USA			100	30	70	Lane Constr. Corporation	line-by-line
Salini Impregilo- Healy Joint Venture NEBT	USA			100	30	70	Lane Constr. Corporation	line-by-line
Salini Impregilo- NRW Joint Venture	Australia			80	80			line-by-line
Salini Impregilo- Tristar Joint Venture	United Arab Emirates			60	60			line-by-line
Salini Insaat Taahhut Sanayi Ve Ticaret Anonim Sirketi (in liq.)	Turkey	TRY	50,000	100	100			line-by-line
Salini Malaysia SDN BHD	Malaysia	MYR	1,100,000	100	90	10	CO.GE.MA. S.p.A.	line-by-line
Salini Namibia Proprietary Ltd.	Namibia	NAD	100	100	100			line-by-line
Salini Nigeria Ltd.	Nigeria	NGN	10,000,000	100	99	1	CO.GE.MA. S.p.A.	line-by-line
Salini Polska- Todini- Salini Impregilo - S7 Joint Venture	Poland			100	74.99	25	Salini Polska Ltd. Liability	line-by-line
						0.01	HCE Costruzioni S.p.A.	
Salini Polska- Todini- Salini Impregilo- Pribex- S3 Joint Venture	Poland			95	71.24	23.75	Salini Polska Ltd. Liability	line-by-line
						0.01	HCE Costruzioni S.p.A.	
Salini Polska- Todini- Salini Impregilo- Pribex- S8 Joint Venture	Poland			95	71.24	23.75	Salini Polska Ltd. Liability	line-by-line
						0.01	HCE Costruzioni S.p.A.	
Salini Polska Sp. z.o.o.	Poland	PLN	393,450	100	100			line-by-line
Salini Saudi Arabia Company Ltd.	Saudi Arabia	SAR	1,000,000	51	51			line-by-line

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Sartori Tecnologie Industriali S.r.l. (in liq.)	Italy	Euro	500,000	100	-	100	NBI S.p.A.	line-by-line
SC Hydro Pty Ltd.	Australia	AUD	2,000	100		50	Salini Australia PTY Ltd.	line-by-line
						50	Clough Projects Australia Pty Ltd.	
SCI ADI Ortakligi	Turkey	TRY	10,000	50	50			line-by-line
SCLC Polihali Diversion Tunnel Joint Venture	Lesotho			69.99	69.99			line-by-line
Scuola Carabinieri S.C. a r.l. (in liq.)	Italy	Euro	50,000	76.4		76.4	Partecipazioni Italia S.p.A.	line-by-line
Seac S.p.a.r.l.. (in liq.)	Congo			100	100			line-by-line (a)
Seli Middle East Construction Co. W.L.L.	Qatar	QAR	200,000	49		49	Seli Overseas S.p.A.	line-by-line
Seli Overseas S.p.A.	Italy	Euro	3,000,000	100	100			line-by-line
Seli Overseas USA Inc.	USA	USD	1,000	100		100	Seli Overseas S.p.A.	line-by-line
Seli Tunneling Denmark A.p.s.	Denmark	DKK	130,000	100		100	HCE Costruzioni S.p.A.	line-by-line
Sharp Resources Pty Ltd.	Australia	AUD	100	100		100	E20 Pty Ltd.	line-by-line
Sirjo S.C.p.A.	Italy	Euro	30,000,000	100		60	Partecipazioni Italia S.p.A.	line-by-line
						40	Webuild Italia S.p.A.	
SLC Snowy Hydro Joint Venture	Australia			100	64.99	35	Clough Projects Australia Pty Ltd.	line-by-line
						0.01	Lane Constr. Corporation	
So Tunneling India Private Limited	India	INR	100,000	100		100	Seli Overseas S.p.A.	line-by-line
Società Autostrada Broni - Mortara S.p.A.	Italy	Euro	28,902,600	60		60	Webuild Italia S.p.A.	line-by-line
Spark North East Link Holding Trust	Australia			100		100	MEL PP Pty Ltd.	line-by-line (a)
Suramericana de Obras Publicas C.A.- Suropca C.A.	Venezuela	VED	2,874,118,000	100	99	1	CSC Costruzioni S.A.	line-by-line
Susa Dora Quattro S.C. a r.l. (in liq.)	Italy	Euro	51,000	90	90			line-by-line
SYD TS Pty Ltd.	Australia			100		100	WBCA Pty Ltd.	line-by-line
T.E.Q Construction Enterprise Inc.	Canada	CAD	10,000	100		100	Astaldi Canada Enterp. Inc.	line-by-line
TB Metro S.r.l. (in liq.)	Italy	Euro	100,000	51	51			line-by-line
Texas High Speed Rail LLC	USA			100	50	50	Lane Constr. Corporation	line-by-line
The Clough Foundation Newco Pty Ltd.	Australia	AUD	10	100		100	Salini Australia Pty Ltd.	line-by-line (a)
The Lane Blythe Construction Joint Venture	USA			50		50	Lane Constr. Corporation	line-by-line
The Lane Securety Paving Joint Venture	USA			60		60	Lane Constr. Corporation	line-by-line

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Thessaloniki Metro CW Joint Venture (AIS Joint Venture)	Greece			50	50			line-by-line
Todini Akkord Salini	Ukraine			100	25	75	HCE Costruzioni S.p.A.	line-by-line
Toledo S.C. a r.l. (in liq.)	Italy	Euro	50,000	90.394		90.394	Partecipazioni Italia S.p.A.	line-by-line
Valle Aconcagua S.A.	Chile	CLP	19,064,993	84.308		84.308	Astaldi Concessions S.p.A.	line-by-line
VSL Electrical, Signing, Lighting LLC	USA			100		100	Lane Constr. Corporation	line-by-line
WBCA Pty Ltd.	Australia			100		100	Webuild Concessions S.p.A.	line-by-line (a)
Webuild- Connect 6iX GP Inc.	Canada			100		100	Webuild Canada Holding Inc.	line-by-line
Webuild- Fisia Joint Venture	Turkey			100	99.933	0.067	Fisia Muhendislik VE Insaat Anonim Sirketi	line-by-line
Webuild- US Holdings Inc.	USA	USD	1,100	100	100			line-by-line
Webuild Canada Holding Inc.	Canada			100	100			line-by-line
Webuild Civil Works Inc.	Canada			100		100	Webuild Canada Holding Inc.	line-by-line
Webuild Concessions S.p.A.	Italy	Euro	1,000,000	100	100			line-by-line
Webuild Innovations S.r.l.	Italy	Euro	10,000	100	100			line-by-line
Webuild Italia S.p.A.	Italy	Euro	1,000,000	100	100			line-by-line
Webuild Mobilink Hurontario GP Inc.	Canada			100		100	Webuild Canada Holding Inc.	line-by-line
Webuild S.p.A.- The Lane Construction Co.- Jose J Chediack S.A. UTE	Argentina	ARS	10,000	75	73	2	Lane Constr. Corporation	line-by-line
Webuild-Terna SNFCC Joint Venture	Greece	Euro	100,000	51	51			line-by-line
Western Station Joint Venture	Saudi Arabia			51	51			line-by-line
Whaleback Platinum Services Pty Ltd.	Australia	AUD	1	100		100	E20 Pty Ltd.	line-by-line
Wres Senqu Bridge Joint Venture	Lesotho			55	55			line-by-line
WSS Joint Venture	Saudi Arabia			55.3	40	15.3	Salini Saudi Arabia Company Ltd.	line-by-line
Abeinsa Infr. e Fisia Italimpianti UTE Salalah	Spain			51		51	Fisia Italimpianti S.p.A.	joint oper.
Acciona Construccion S.A. Y Webuild S.p.A. UTE	Spain			40	40			joint oper.
Ana Cua Consorcio	Paraguay			55	55			joint oper.
Arriyad New Mobility Consortium	Saudi Arabia			33.48	33.48			joint oper.
Asocierea Astaldi S.p.A-IHI Infrastructure Systems SO, Ltd. (Braila)	Romania			60	60			joint oper.
Asocierea Lot 3 FCC-Webuild- Convensa	Romania			49.5	49.5			joint oper.
Asocierea Webuild S.p.A. – Max Boegl Romania S.r.l. – Astalrom Sa – Consitrans S.r.l. (Ogra-Campia Turzii)	Romania			49.971	40	9.971	Astalrom S.A.	joint oper.

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Asocierea Webuild-Euroconstruct Trading 98	Romania			70	70			joint oper.
Asocierea Webuild-Euroconstruct Trading 98 S.r.l.- RCV Global Group S.r.l. (Piata Sudului)	Romania			50	50			joint oper.
Asocierea Webuild-FCC-Salcef, lot 2°a	Romania			49.5	49.5			joint oper.
Asocierea Webuild-FCC-Salcef, lot 2°b	Romania			49.5	49.5			joint oper.
Astadim Spolka Cywilina	Poland	PLN	10,000	90	90			joint oper.
Astaldi S.p.A. – Astalrom S.A. Joint Venture (Mihai Bravu)	Romania			99.927	75	24.927	Astalrom S.A.	joint oper.
Astaldi-Gulermak Joint Venture	Turkey	TRY	1,500	51	51			joint oper.
Astaldi-Somatra Get Groupement (G.A.S.)	Tunisia			60	60			joint oper. (a)
Astaldi-Tukerler Ortak Girisimi Joint Venture	Turkey	TRY	1,500	51	51			joint oper.
Astaldi-UTI-Romairport Joint Venture (Clui Napoca)	Romania			78.779	49	29.779	Romairport S.r.l.	joint oper. (a)
Astalrom- Decora Rezident	Romania			56.833		56.833	Astalrom S.A.	joint oper. (a)
ASTEH Groupement	Algeria			51	51			joint oper. (a)
Aster Astaldi-TIM-Termomeccanica Ecologica	Poland			51	51			joint oper.
Aster Dantiscum	Poland	PLN	10,000	51	51			joint oper.
Aster Resovia TM e Termomeccanca Ecologica Astaldi S.C.	Poland			49	49			joint oper.
Avrasya Metro Grubu Joint Venture (AMG)	Turkey	TRY	1,000	42	42			joint oper.
BSS-KSAB Joint Venture	Saudi Arabia			37.5	37.5			joint oper.
CAC Joint Venture	Australia			33.5		33.5	Clough Engineering & Integrated Solutions (CEIS) Pty Ltd.	joint oper.
Civil Works Joint Venture	Saudi Arabia			59.14	52	7.14	Salini Saudi Arabia Company Ltd.	joint oper.
Clough- BMD Joint Venture (CBJV)	Australia			50		50	Clough Projects Australia Pty Ltd.	joint oper.
CMC- Mavundla- Impregilo Joint Venture	South Africa			39.2	39.2			joint oper.
Connect 6iX Contractor Joint Venture	Canada			65		65	Webuild Civil Works	joint oper.
Consorcio Contuy Medio Grupo A C.I. S.p.A. Ghella Sogene C.A., Otaola C.A.	Venezuela	-	-	36.4	36.4			joint oper.
Consorcio Europeo Hospital de Chinandega	Nicaragua			29.65	29.65			joint oper.
Consorzio Constructor M2 Lima	Peru			25.5	25.5			joint oper.
Consorzio Constructora El Arenal	Honduras			49	49			joint oper.
Consorzio Lublino (Astaldi- PBDIM)	Poland			94.98	94.98			joint oper.
Constructor Tumarin Consorcio	Nicaragua			50	50			joint oper.

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FCC- Webuild Constanza Bypass	Romania			50	50			joint oper.
FCC Construccion S.A. – Webuild S.p.A., Joint Venture (Arad- Timisoara)	Romania			50	50			joint oper.
Fisia Abeima Salalah Joint Venture	Oman			35.7		35.7	Fisia LLC	joint oper.
Fisia Italimpianti fil. Argentina-Acciona Agua fil. Argentina UTE	Argentina			65		65	Fisia Italimpianti filiale Argentina	joint oper.
G.R.B.K. Barrage de Kerrada et Adduction Chelif-Kerrada du Transfert M.A.O	Algeria			68.68	68.68			joint oper. (a)
Gdansk Consorzio	Poland			51	51			joint oper.
Ghazi-Barotha Contractors Joint Venture	Pakistan	-	-	57.8	57.8			joint oper.
GR-RDM Groupement	Algeria			51	51			joint oper. (a)
GS Inima-Fisia Italimp. S.p.A. UTE Ghubrah III Swro	Oman	Euro	6,000	50		50	Fisia Italimpianti S.p.A.	joint oper.
I 405 Partners Joint Venture	USA			26.325		26.325	Astaldi Construction Corporation	joint oper.
Ilka Metro Yapim Joint Venture	Turkey	TRY	10,000	15		15	Astur Construction and Trade A.S.	joint oper.
Integrate Joint Venture	Australia			60		60	Clough Projects Australia Pty Ltd.	joint oper.
Lodz Consorzio	Poland			40	40			joint oper.
Max Boegl Romania S.r.l.- Astaldi S.p.A.	Romania			50	50			joint oper.
Mobilinx Hurontario Contractor	Canada			70		42	Webuild Civil Works	joint oper.
						28	Astaldi Canada Design & Construction Inc.	
Mobilinx Hurontario DB Joint Venture	Canada			48.692		48.692	Mobilinx Hurontario Contractor	joint oper.
Nadlac-Arad Joint Venture	Romania			50	50			joint oper.
Nathpa Jhakri Joint Venture	India	USD	1,000,000	60		60	HCE Costruzioni S.p.A.	joint oper.
NBI- S.I.TE Installati	Romania			51		51	NBI S.p.A.	joint oper. (b)
NBI-A4 Joint Venture (Elektromak)	Turkey	TRY	1,500	99.99		99.99	NBI Elektrik Elekt. Tesisat Insaat	joint oper.
NGE Genie Civil S.a.s.- Salini Impregilo S.p.A.	France			50	50			joint oper.
Obrainsa- Astaldi Consorzio	Peru			51	51			joint oper.
Regionerate DC Joint Venture	Australia			50	50			joint oper.
Rio Mantaro Consorcio	Peru			50	50			joint oper.
Rio Urubamba Consorcio	Peru			40	40			joint oper.
Sailini Impregilo S.p.A.- NGE Genie Civil S.a.s	France			65	65			joint oper.
Saipem Clough Joint Venture (SCJV)	Australia			50		50	Clough Projects Australia Pty Ltd.	joint oper.

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Sotra Link A.S. Joint Venture	Norway			35	35			joint oper.
South Al Mutlaa Joint Venture	Kuwait			55	55			joint oper.
Southland Astaldi Joint Venture	Canada			30		30	Astaldi Canada Design & Construction Inc.	joint oper.
Spark NEL DC Joint Venture	Australia			29	29			joint oper.
Swietelsky-Astalrom-Euroconstruct-Transferoviar Grup	Romania			24.927		24.927	Astalrom S.A.	joint oper. (a)
Telt Lot 2	France			50	50			joint oper.
Telt Villarodin-Bourget Modane Avrieux	France			33.33	33.33			joint oper.
Tristar Salini Joint Venture	United Arab Emirates			40	40			joint oper.
UTE Abeima Fisia Shuaibah	Saudi Arabia			50		50	Fisia Italimpianti S.p.A.	joint oper.
Uti Grup S.A.-Astaldi S.p.A. (pattinaggio)	Romania			65	65			joint oper.
Webuild- Kolin Ordinary Partnership	Turkey			50.01	50.01			joint oper. (a)
Webuild-Euroconstruct Tranding 98-SC Astalrom Asocierea (Orastie- Sibiu)	Romania			99.975	94.99	4.985	Astalrom S.A.	joint oper.
Webuild-FCC-Delta ACM-AB Construct (Metro 5 Bucarest struttura)	Romania			47.495	47.495			joint oper.
Webuild-FCC-Salcef Thales, lot 2°b	Romania			42.075	42.075			joint oper. (a)
Webuild-FCC-Salcef-Thales, lot 2°a	Romania			42.075	42.075			joint oper. (a)
Webuild-FCC-UTI-ACTIV (Metro 5) Associera	Romania			38.99	38.99			joint oper.
Webuildi-FCC Joint Venture (Basarab Overpass)	Romania			50	50			joint oper.
Webuild-Max Boegl Romania Cernavoda	Romania			50	50			joint oper.
Webuild-Max Boegl Romania-Nadlac Arad Lot 2 Joint Venture	Romania			50	50			joint oper.
Webuild-Max Bogl (Medgidia-Costanza)	Romania			60	60			joint oper.
Webuild-Max Bogl-Euroconstruct-Tecnologica-Priect Bucuresti Joint Venture (A1 Ciuriel)	Romania			27.66	27.66			joint oper.
Webuild-Pizzarotti Joint Venture	Romania			62.5	62.5			joint oper.
101 Gaggio Consorzio	Switzerland			35		35	CSC Costruzioni S.A.	equity
Aegek-Impregilo-Aslom Transport Joint Venture	Greece			45.8	45.8			equity
AGL Joint Venture	USA			20		20	Lane Constr. Corporation	equity
Aguas del Gran Buenos Aires S.A. (in liq.)	Argentina	ARS	45,000,000	42.588	16.503	23.727	Impregilo Intern. Infr. N.V.	equity
						2.358	Iglys. S.A.	
AM S.C. a r.l. (in liq.)	Italy	Euro	10,000	42.74		42.74	NBI S.p.A.	equity

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Ankara Etlik Hastane Isletme Ve Bakim Anonim Sirketi	Turkey	TRY	50,000	51		51	Astaldi Concessions S.p.A.	equity
Arge BBT- Baulos H41- Sillschlucht- Pfons	Austria	Euro	100,000	50	25	25	CSC Costruzioni S.A.	equity
Arge Haupttunnel Eyholz	Switzerland			36		36	CSC Costruzioni S.A.	equity
Arge Secondo Tubo	Switzerland			40	5	35	CSC Costruzioni S.A.	equity
Associera Webuild S.p.A.-Tancrad S.r.l. Sibiu-Pitesti S3	Romania			90	90			equity (a)
Astaldi-Federici-Todini Kramis	Italy	Euro	100,000	99.99	49.995	49.995	HCE Costruzioni S.p.A.	equity
Atayde North Holding	Mexico			40	40			equity (a)
Autopistas del Sol S.A.	Argentina	ARS	175,396,394	19.818		19.818	Impregilo Intern. Infr. N.V.	equity
Avola S.C. a r.l. (in liq.)	Italy	Euro	10,200	50	50			equity
Avrasya Metro Grubu S.r.l . (in Liq.)	Italy	Euro	10,000	42	42			equity
Biomedica S.C. a r.l. (in liq.)	Italy	Euro	10,000	42.666		42.666	Consorzio Stabile Busi (in liq.)	equity (a)
Brennero Tunnel Construction S.C. a r.l.	Italy	Euro	100,000	47.23		47.23	Partecipazioni Italia S.p.A.	equity
C.F.M. S.C. a r.l. (in liq.)	Italy	Euro	40,800	50	50			equity
C.P.R.2	Italy	Euro	2,066	35.97		35.97	HCE Costruzioni S.p.A.	equity
C.P.R.3	Italy	Euro	2,066	35.97		35.97	HCE Costruzioni S.p.A.	equity
Churchill Construction Consortium	UK			30		30	Impregilo New Cross Ltd.	equity
Clough Wood Pty Ltd.	Australia	AUD	100,000	50		50	Clough Engineering & Integrated Solutions (CEIS) Pty Ltd.	equity
CMS Consorzio	Switzerland			70		70	CSC Costruzioni S.A.	equity
CO.SAT S.C. a r.l. (in liq.)	Italy	Euro	10,000	50		50	Partecipazioni Italia S.p.A.	equity
Col De Roches	Switzerland			90		90	CSC Costruzioni S.A.	equity
Colli Albani S.C. a r.l. (in liq.)	Italy	Euro	25,500	60	60			equity
Connect 6iX DB Joint Venture	Canada			21.31		21.31	Connect 6iX Contractor J.V.	equity (a)
Consorcio Contuy Medio	Venezuela	-	-	57.34	57.34			equity
Consorcio Federici-Impresit-Ice (Cochabamba)	Bolivia	USD	100,000	25		25	HCE Costruzioni S.p.A.	equity
Consorcio Grupo Contuy-Proyectos y Obras de Ferrocarriles	Venezuela	-	-	66.658	66.658			equity
Consorcio Normetro	Portugal			13.18	13.18			equity
Consorcio OIV-TOCOMA	Venezuela			40	40			equity
Consorcio V.I.T.- Tocoma	Venezuela	-	-	35	35			equity

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Consorcio V.I.T. Caroni- Tocoma	Venezuela			35	35			equity
Consorcio V.S.T. Tocoma	Venezuela	-	-	30	30			equity
Consortium CSC S.A.-Zuttion Construction S.A.	Switzerland			50		50	CSC Costruzioni S.A.	equity
Consorzio 201 Quintai	Switzerland			60		60	CSC Costruzioni S.A.	equity
Consorzio ACE Chiasso	Switzerland			50		50	CSC Costruzioni S.A.	equity
Consorzio Astaldi-Federici-Todini (in liq.)	Italy	Euro	46,000	66.67	33.33	33.34	HCE Costruzioni S.p.A.	equity
Consorzio Consarno	Italy	Euro	20,658	25	25			equity
Consorzio del Sinni	Italy	Euro	51,646	43.16		43.16	HCE Costruzioni S.p.A.	equity
Consorzio di Riconversione Industriale Apuano- CO.RI.A. S.C. a r.l.	Italy	Euro	46,481	10		10	HCE Costruzioni S.p.A.	equity
Consorzio EPC	Peru			18.25	18.25			equity
Consorzio Ferrofir (in liq.)	Italy	Euro	30,987	100	66.667	33.333	HCE Costruzioni S.p.A.	equity
Consorzio GI.IT. (in liq.)	Italy	Euro	2,582	50	50			equity
Consorzio Iniziative Ferroviarie- INFER (in liq.)	Italy	Euro	41,316	35.001		35.001	HCE Costruzioni S.p.A.	equity
Consorzio Kallidromo	Greece	Euro	8,804	23		23	HCE Costruzioni S.p.A.	equity
Consorzio Masnan	Switzerland			70		70	CSC Costruzioni S.A.	equity
Consorzio MEGE	Switzerland			25		25	CSC Costruzioni S.A.	equity
Consorzio MM4	Italy	Euro	200,000	64.27		32.135	Webuild Italia S.p.A.	equity
						32.135	Partecipazioni Italia S.p.A.	
Consorzio NSIF 1301	Switzerland			35		35	CSC Costruzioni S.A.	equity
Consorzio Pizzarotti Todini-Kef-Eddir. (in liq.)	Italy	Euro	100,000	50		50	HCE Costruzioni S.p.A.	equity
Consorzio Portale Vezia (CPV Lotto 854)	Switzerland			60		60	CSC Costruzioni S.A.	equity
Consorzio Probin	Switzerland			50		50	CSC Costruzioni S.A.	equity
Consorzio S.Anna	Switzerland			60		60	CSC Costruzioni S.A.	equity
Consorzio Sarda Costruzioni Generali- SACOGEN	Italy			25		25	HCE Costruzioni S.p.A.	equity
Consorzio Sotpass Bess	Switzerland			36		36	CSC Costruzioni S.A.	equity
Consorzio Torretta	Switzerland			50		50	CSC Costruzioni S.A.	equity
Consorzio Trevi- S.G.F. Inc. per Napoli	Italy	Euro	10,000	45	45			equity
Consorzio Vedeggio	Switzerland			99		99	CSC Costruzioni S.A.	equity

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Consorzio Vertiaz	Switzerland			100	0.01	99.99	CSC Costruzioni S.A.	equity
Consorzio Zeb	Switzerland			25		25	CSC Costruzioni S.A.	equity
Constructora Astaldi Cachapoal Limitada	Chile	CLP	10,000,000	99	99			equity (a)
CS Consorzio	Switzerland			85		85	CSC Costruzioni S.A.	equity
D&C Joint Venture	Australia			78	78			equity
Depurazione Palermo S.C. a r.l. (in liq.)	Italy	Euro	20,000	50		50	HCE Costruzioni S.p.A.	equity
Di Penta Ugo Vitolo Consorzio (in liq.)	Italy	Euro	2,582	50	50			equity (a)
Diga di Blufi S.C. a r.l. (in liq.)	Italy	Euro	45,900	50	50			equity
Dolomiti Webuild Implenia	Italy	Euro	10,000	51		51	Webuild Italia S.p.A.	equity
E.R. Impregilo-Dumez y Asociados para Yacireta - ERIDAY UTE	Argentina	USD	539,400	20.75	18.75	2	Iglys S.A.	equity
Ecosarno S.C. a r.l. (in Liq.)	Italy	Euro	50,490	33.334	33.334			equity
EDIL.CRO S.C. a r.l. (in liq.)	Italy	Euro	10,200	16.65		16.65	HCE Costruzioni S.p.A.	equity
Enecor S.A.	Argentina	ARS	8,000,000	30		30	Impregilo Intern. Infr. N.V.	equity
Etlik Hastane P.A. S.r.l.	Italy	Euro	110,000	51	51			equity
Eurolink S.C.p.A.	Italy	Euro	150,000,000	45		45	Webuild Italia S.p.A.	equity
Fisia Abeima LLC	Saudi Arabia	SAR	500,000	50		50	Fisia Italimpianti S.p.A.	equity
Fisia GS Inima (Al Ghubra) LLC	Oman	OMR	250,000	50		50	Fisia Italimpianti S.p.A.	equity
Flatiron West Inc.- The Lane Constr. Corp. Joint Venture	USA			40		40	Lane Constr. Corporation	equity
Fluor-Lane 95 LLC	USA			35		35	Lane Constr. Corporation	equity
Fluor-Lane LLC	USA			35		35	Lane Constr. Corporation	equity
Fluor-Lane South Carolina LLC	USA			45		45	Lane Constr. Corporation	equity
Fonomen Consorzio	Switzerland			33.33		33.33	CSC Costruzioni S.A.	equity
Fosso Canna S.C. a r.l. (in liq.)	Italy	Euro	25,500	32	32			equity
Gaziantep Hastanesi Isletme Ve Bakim Hizmetleri	Turkey	TRY	6,050,000	50	50			equity
Groupement de Raccordement de la Station d'El Hamma (G.R.S.H.)	Algeria			100	51	49	Astaldi Algerie - E.u.r.l.	equity (a)
Groupement Webuild - Consider TP	Algeria			60	60			equity (a)
Grupo Empresas Italianas - GEI	Venezuela	VED	10,500,000	66.666	66.666			equity
Grupo Unidos Por El Canal S.A.	Panama	USD	1,000,000	48	48			equity

List of Webuild Group companies

	Country	Currency	Share/quota capital subscribed	Investment %	% direct	% indirect	Indirect parent	Consolidation or measurement method
I4 Leasing LLC	USA			30		30	Lane Constr. Corporation	equity
ICA LT Limited Liability Company	Russia			50	50			equity (a)
Impregilo Alfred Mcalpine Churchill Hospital Joint Venture	UK			50		50	Impregilo New Cross Ltd.	equity
Impregilo Arabia Ltd.	Saudi Arabia	SAR	40,000,000	50	50			equity
Impresit Bakolori Plc	Nigeria	NGN	100,800,000	50.707	50.707			equity
Infraflegrea S.C. a r.l. (in liq.)	Italy	Euro	46,600	50	50			equity
Iricav Uno Consorzio (in liq.)	Italy	Euro	338,676	42.853		42.853	Partecipazioni Italia S.p.A.	equity
IRINA S.r.l. (in liq.)	Italy	Euro	103,300	36		36	HCE Costruzioni S.p.A.	equity
Isibari S.C. a r.l. (in liq.)	Italy	Euro	15,494	100		100	HCE Costruzioni S.p.A.	equity
Ital.Co.Cer. Consorzio (in Liq.)	Italy	Euro	51,600	30	30			equity
Joint Venture Aktor-Webuild-Ansaldo-STS-Hitachi Rail Utaly (ex AIASA Joint Venture)	Greece			26.7	26.7			equity
Joint Venture Impregilo S.p.A.- Empedos S.A.- Aktor A.T.E. (in liq.)	Greece	-	-	66		66	HCE Costruzioni S.p.A.	equity
Joint Venture Salini- Secol	Romania			80	80			equity
Joint Venture Salini Impregilo- Doprastav	Czech Rep.			50	50			equity
Joint Venture Terna S.p.A.- Impregilo S.p.A.	Greece	-	-	45	45			equity
Kallidromo Joint Venture	Greece	Euro	29,347	23		20.7	HCE Costruzioni S.p.A.	equity
						2.3	Consorzio Kallidromo	
La Maddalena	Italy	Euro	10,000	66.67	5	61.67	CSC Costruzioni S.A.	equity
Line 3 Metro Stations CW Joint Venture	Greece			50	50			equity
M.N. Metropolitana di Napoli S.p.A.	Italy	Euro	3,655,397	22.62		22.62	Partecipazioni Italia S.p.A.	equity
M.O.MES. S.C. a r.l.	Italy	Euro	10,000	60		60	Partecipazioni Italia S.p.A.	equity
Metro C S.C.p.A.	Italy	Euro	150,000,000	34.5		34.5	Partecipazioni Italia S.p.A.	equity
Metro de Lima Linea 2 S.A.	Peru	PEN	368,808,060	18.25	18.25			equity
Metrogenova S.C. a r.l. (in liq.)	Italy	Euro	25,500	57.439	57.439			equity
Mobilink Hurontario General Partnership	Canada			35		21	Webuild Mobilink Hur. GP Inc.	equity (a)
						14	Astaldi Mobilinx Hur. GP Inc.	
Mobilinx Hurontario Services Ltd.	Canada			20	12	8	Astaldi Canada Enterprises Inc.	equity
Mose Bocca di Chioggia S.C. a r.l. (in liq.)	Italy	Euro	10,000	15		15	Partecipazioni Italia S.p.A.	equity

List of Webuild Group companies

	Country	Currency	Share/quota capital subscribed	Investment %	% direct	% indirect	Indirect parent	Consolidation or measurement method
Mose-Treporti S.C. a r.l. (in liq.)	Italy	Euro	10,000	35		35	Partecipazioni Italia S.p.A.	equity
NLF Nowa Lodz Fabryczna Sp. z.o.o.	Poland			50	50			equity (a)
Novocen Consorzio (in liq.)	Italy	Euro	51,640	40.76	40.76			equity
Nuovo Polo Fieristico S.C. a r.l. (in liq.)	Italy	Euro	40,000	50	50			equity
Ochre Solutions (Holdings) Ltd.	UK	GBP	20,000	40		40	Impregilo Intern. Infr. N.V.	equity
OHL- Posillico- Seli Overseas Joint Venture	USA			20		20	Seli Overseas USA Inc.	equity (a)
Olbia 90 S.C. a r.l. (in liq.)	Italy	Euro	10,200	24.5		24.5	HCE Costruzioni S.p.A.	equity
Otoyol Deniz Tasimaciligi A.S.	Turkey	TRY	5,000,000	17.5	17.5			equity
Otoyol Isletme Ve Bakim A.S.	Turkey	TRY	5,000,000	18.14	18.14			equity
Passante di Mestre S.C.p.A. (in liq.)	Italy	Euro	5,500,000	42.424		42.424	HCE Costruzioni S.p.A.	equity
PAV 101 Gaggio Consorzio	Switzerland			33.34		33.34	CSC Costruzioni S.A.	equity
Pedelombarda S.C.p.A. (in liq.)	Italy	Euro	5,000,000	71	47	24	Partecipazioni Italia S.p.A.	equity
Pegaso S.C. a r.l. (in Liq.)	Italy	Euro	260,000	43.75		43.75	Partecipazioni Italia S.p.A.	equity
PerGenova S.C.p.A. (in liq.)	Italy	Euro	1,000,000	50	50			equity
Piana di Licata S.C. a r.l. (in liq.)	Italy	Euro	10,200	43.745	43.745			equity
Puentes del Litoral S.A. (in liq.)	Argentina	ARS	43,650,000	26	22	4	Iglys S.A.	equity
Purple Line Transit Constructors LLC	USA			30		30	Lane Constr. Corporation	equity
Rasoira Consorzio	Switzerland			50		50	CSC Costruzioni S.A.	equity
Regionerate Rail Pty Ltd.	Australia	AUD	99	20.202		20.202	WBCA Pty Ltd.	equity (a)
Renovation Palais Des Nations S.A.	Switzerland	CHF	100,000	17		17	CSC Costruzioni S.A.	equity
S. Benedetto S.C. a r.l. (in liq.)	Italy	Euro	25,823	57		57	HCE Costruzioni S.p.A.	equity
S. Ruffillo S.C. a r.l. (in liq.)	Italy	Euro	60,000	35	35			equity
S.E.I.S. S.p.A.	Italy	Euro	3,877,500	48.333	48.333			equity
Salini Strabag Joint Venture	Guinea			50	50			equity
SEDI S.C. a r.l. (in liq.)	Italy	Euro	10,000	34		34	HCE Costruzioni S.p.A.	equity
Segrate S.C. a r.l.	Italy	Euro	10,000	35		35	Webuild Italia S.p.A.	equity (a)
Sellero S.C. a r.l. (in liq.)	Italy	Euro	10,000	39		39	Cossi Costruzioni S.p.A.	equity
SFI Leasing Company	USA			30	30			equity

List of Webuild Group companies

	Country	Currency	Share/quota capital subscribed	Investment %	% direct	% indirect	Indirect parent	Consolidation or measurement method
Shimmick CO. INC.- FCC CO S.A.- Impregilo S.p.A -Joint Venture	USA			30	30			equity
Sistranyac S.A.	Argentina	ARS	3,000,000	20.101		20.101	Impregilo Intern. Infr. N.V.	equity
Skanska-Granite-Lane Joint Venture	USA			30		30	Lane Constr. Corporation	equity
Società Consortile Valdostana Condotte- Cossi a r.l.	Italy	Euro	100,000	20.0		20.0	Cossi Costruzioni S.p.A.	equity
Sotra Link A.S.	Norway	NOK	30,000	10		10	Sotra Link Holdco AS	equity (a)
Sotra Link Holdco A.S.	Norway	NOK	30,000	10		10	Astaldi Concessions S.p.A.	equity (a)
Spark Nel DC Workforce Pty Ltd.	Australia			34.118		34.118	Salini Australia PTY Ltd.	equity
Superior-Lane Joint Venture	USA			50		50	Lane Constr. Corporation	equity
Tangenziale Seconda S.C. a r.l. (in liq.)	Italy	Euro	45,900	42.73	42.73			equity
Tartano S.r.l. Società Agricola	Italy	Euro	110,000	32.5		32.5	Cossi Costruzioni S.p.A.	equity
Techint S.A.C.I.- Hochtief A.G.- Impregilo S.p.A.-Iglys S.A. UTE (EZEIZA)	Argentina	-	-	35	26.25	8.75	Iglys S.A.	equity
TM-Salini Consortium	Malaysia	-	-	90	90			equity
Trieste Due S.C. a r.l. (in liq.)	Italy	Euro	10,000	45		45	Cossi Costruzioni S.p.A.	equity
Unionport Constructors Joint Venture	USA			45		45	Lane Constr. Corporation	equity
VE.CO. S.C. a r.l.	Italy	Euro	10,200	25	25			equity
Webuild Apco Joint Venture (ex Reliance)	India			30	30			equity
Webuild-Partecipazione Italia-Salcef Timisoara- Arad lot 3 Joint Venture	Romania			80		75	Webuild S.p.A.	equity (a)
						5	Partecipazioni Italia S.p.A.	
Webuild-Partecipazione Italia-Salcef Timisoara- Arad lot 4 Joint Venture	Romania			80		75	Webuild S.p.A.	equity (a)
						5	Partecipazioni Italia S.p.A.	
Webuild-Pizzarotti-Salcef Joint Venture	Romania			50	50			equity (a)
Webuild-SOMET-TIAB-UTI GRUP	Romania			40	40			equity (a)
Yacylec S.A.	Argentina	ARS	20,000,000	18.67		18.67	Impregilo Intern. Infr. N.V.	equity
Yuma Concesionaria S.A.	Colombia	COP	26,000,100,000	48.326	40	8.326	Impregilo Intern. Infr. N.V.	equity
I.L.IM.- Iniziative Lombarde Immobiliari S.r.l. (in liq.)	Italy	Euro	10,000	100	100			(*)
Portovesme S.C. a r.l. (in liq.)	Italy	Euro	25,500	99.98	99.98			(*)
Consorcio Impregilo- OHL	Colombia			100		100	Impregilo Colombia SAS	(*)
Rinfra Astaldi Joint Venture	India			26	26			(*)

List of Webuild Group companies

	Country	Currency	Share/quota capital subscribed	Investment %	% direct	% indirect	Indirect parent	Consolidation or measurement method
Acqua Campania S.p.A.	Italy	Euro	4,950,000	0.1		0.1	Impregilo Intern. Infr. N.V.	IFRS 9
Asse Sangro Consorzio (in liq.)	Italy	Euro	464,811	4.762	4.762			IFRS 9
CE.DI.R. S.C. a r.l. (in liq.)	Italy	Euro	10,200	1		1	HCE Costruzioni S.p.A.	IFRS 9
Centotre S.C. a r.l.	Italy	Euro	10,000	12.52		12.52	NBI S.p.A.	IFRS 9
Centoquattro S.C. a r.l.	Italy	Euro	10,000	12.07		12.07	NBI S.p.A.	IFRS 9
Centro Uno Consorzio (in liq.)	Italy	Euro	154,937	2	2			IFRS 9
Consorzio Costruttori TEEM	Italy	Euro	10,000	0.01		0.01	HCE Costruzioni S.p.A.	IFRS 9
C.F.C. S.C. a r.l. (in liq.)	Italy	Euro	45,900	0.01	0.01			IFRS 9
C.I.T.I.E. Consorzio Inst. Tec. Idr. Elettr. Soc. Cooperativa (in liq.)	Italy	Euro	8,035	0.49		0.39	NBI S.p.A.	IFRS 9
						0.10	3E System S.r.l. (in liq.)	
Consorzio Aree Industriali Potentine (in liq.)	Italy	Euro	408,000	2		2	Fisia Ambiente S.p.A.	IFRS 9
Consorzio Casale Nei	Italy	Euro	27,889	2.779		2.779	HCE Costruzioni S.p.A.	IFRS 9
Consorzio infrastruttura area metropolitana- Metro Cagliari (in liq.)	Italy	Euro	129,114	7.5		7.5	HCE Costruzioni S.p.A.	IFRS 9
Consorzio Nazionale Imballaggi- CO.NA.I.	Italy	Euro	130	1	1			IFRS 9
Consorzio Tratta Determinante Città Vitale- TRA.DE.CIV	Italy	Euro	155,535	17.727		17.727	Partecipazioni Italia S.p.A.	IFRS 9
Consorzio Venezia Nuova	Italy	Euro	274,000	17.55		17.55	Consorzio Italvenezia	IFRS 9
CO.SA.VI.D. S.C. a r.l.	Italy	Euro	25,500	0.011	0.011			IFRS 9
DIRPA S.C. a r.l.	Italy	Euro	50,000,000	98.98		98.98	Consorzio Stabile Operae	IFRS 9
Emittenti Titoli S.p.A. (in liq.)	Italy	Euro	4,264,000	0.244	0.244			IFRS 9
Fusaro S.C. a r.l. (in liq.)	Italy	Euro	10,200	0.01	0.01			IFRS 9
Grassetto S.p.A. (in liq.)	Italy	Euro	111,650,000	0.001		0.001	HCE Costruzioni S.p.A.	IFRS 9
Groupement Lesi-Dipenta Consorzio	Italy	Euro	258,228	0.01	0.01			IFRS 9
Guida Editori S.r.l. (in liq.)	Italy	Euro	10,329	1.05	1.05			IFRS 9
Hobas Italiana S.p.A. (in liq.)	Italy			8.829		8.829	HCE Costruzioni S.p.A.	IFRS 9
Immobiliare Golf Club Castel D'Aviano S.p.A.	Italy	Euro	4,540,340	0.444		0.444	HCE Costruzioni S.p.A.	IFRS 9
Istituto per lo Sviluppo Edilizio ed Urbanistico - ISVEUR S.p.A. (in liq.)	Italy	Euro	2,500,000	2.6	1.2	1.4	HCE Costruzioni S.p.A.	IFRS 9
Istituto Promozionale per l'Edilizia S.p.A.- Ispredil S.p.A.	Italy	Euro	111,045	0.119		0.119	I.L.IM. S.r.l. (in liq.)	IFRS 9
Lambro S.C. a r.l. (in liq.)	Italy	Euro	200,000	0.01		0.01	HCE Costruzioni S.p.A.	IFRS 9

List of Webuild Group companies

	Country	Currency	Share/quota capital subscribed	Investment %	% direct	% indirect	Indirect parent	Consolidation or measurement method
Malagrotta Consorzio	Italy	Euro	2,840	0.035	0.035			IFRS 9
Manifesto S.p.A. (in liq.)	Italy	Euro	2,970,268	0.36		0.36	CO.GE.MA. S.p.A.	IFRS 9
Metro 5 S.p.A.	Italy	Euro	53,300,000	2		2	Partecipazioni Italia S.p.A.	IFRS 9
MN 6 S.C. a r.l.	Italy	Euro	51,000	21.132		20.132	M.N. Metropolitana di Napoli S.p.A.	IFRS 9
						1	Partecipazioni Italia S.p.A.	
Mose Operae S.C. a r.l. (in liq.)	Italy	Euro	10,000	17.28		17.28	Partecipazioni Italia S.p.A.	IFRS 9
Nomisma- Società di Studi Economici S.p.A.	Italy	Euro	20,433,801	0.245		0.245	HCE Costruzioni S.p.A.	IFRS 9
Nova Via Festinat Industrias (in liq.)	Italy	Euro	10,329	0.01	0.01			IFRS 9
Pavimental S.p.A.	Italy	Euro	10,116,452	0.601	0.601			IFRS 9
PROG.ESTE S.p.A.	Italy	Euro	11,956,151	2.698		2.698	NBI S.p.A.	IFRS 9
S.A.T. S.p.A.	Italy	Euro	19,126,000	1		1	Partecipazioni Italia S.p.A.	IFRS 9
S.I.MA. GEST 3 S.C. a r.l. (in liq.)	Italy	Euro	50,000	0.01		0.01	HCE Costruzioni S.p.A.	IFRS 9
Skiarea Valchiavenna S.p.A.	Italy	Euro	12,000,000	1.09	0.165	0.925	HCE Costruzioni S.p.A.	IFRS 9
SPV Linea M4 S.p.A.	Italy	Euro	61,531,500	19.268		9.634	Webuild Italia S.p.A.	IFRS 9
						9.634	Partecipazioni Italia S.p.A.	
Tangenziale Esterna S.p.A.	Italy	Euro	464,945,000	0.001	0.001			IFRS 9
Utenti Servizi Salaria Vallericca Consorzio	Italy	Euro	10,500	0.01	0.01			IFRS 9
Valtellina Golf Club S.p.A.	Italy	Euro	2,813,300	0.636		0.46	Cossi Costruzioni S.p.A.	IFRS 9
						0.176	Mosconi S.r.l.	
Veneta Sanitaria Finanza di Progetto S.p.A.- V.S.F.P. S.p.A.	Italy	Euro	20,500,000	1		0.5	Partecipazioni Italia S.p.A.	IFRS 9
						0.5	Astaldi Concessions S.p.A.	
Arge Tulfes Pfons	Austria	Euro	1,000	0.01	0.01			IFRS 9
Astaldi- Gulemark TR- Gulemark PL (C4-C6)	Poland			0.1	0.1			IFRS 9
Astaldi- Gulemark TR- Gulemark PL (Mory)	Poland			0.1	0.1			IFRS 9
Gulemark- TR Astaldi- Gulemark PL (C18-C21)	Poland			0.1	0.1			IFRS 9
Impregilo S.p.A.-Avax S.A.-Ate Gnomon S.A., Joint Venture	Greece			1		1	HCE Costruzioni S.p.A.	IFRS 9
Joint Venture Aktor S.A.- Impregilo S.p.A.	Greece	-	-	0.1	0.1			IFRS 9
Normetro- Agrupamento Do Metropolitano Do Porto, A.C.E.	Portugal	PTE	100,000	2.12		2.12	HCE Costruzioni S.p.A.	IFRS 9
Transmetro- Construcao de Metropolitano A.C.E.	Portugal			5		5	HCE Costruzioni S.p.A.	IFRS 9
Elektromak- Mekatronik- NBI, Joint Venture	Turkey			0.1		0.1	NBI Elektrik Elektromekanik	IFRS 9
Mika Adi Ortakligi Joint Venture	Turkey			15		15	Astur Construction and Trade A.S.	IFRS 9
Simple Partership Ictas-Astaldi	Russia			0.1	0.1			IFRS 9
Todini-Impregilo Almaty Khorgos Joint Venture	Kazakhstan			0.01	0.01			IFRS 9
Wurno Construction Materials- WUCOMAT Ltd.	Nigeria	NGN	3,300,000	5.071		5.071	Impresit Bakolori Plc	IFRS 9
BSS Joint Venture- Air Academy project	Saudi Arabia	-	-	5	5			IFRS 9

List of Webuild Group companies

	Country	Currency	Share/quota capital subscribed	Investment %	% direct	% indirect	Indirect parent	Consolidation or measurement method
Lane-Developement Co. For Road Works-Tadmur Joint Venture	Qatar			0.49		0.49	Lane Mideast Qatar LLC	IFRS 9
Salini Impregilo Bin Omran Joint Venture	Qatar			50	50			IFRS 9
Connect 6iX General Partnership	Canada			10		10	Webuild- Connect 6iX GP Inc.	IFRS 9
U Joint Venture Astaldi S.p.A. (fil. Cile), VCGP (Ag en Chile) Astaldi Ingenieria y Const.Ltd.	Chile			0.01	0.01			IFRS 9
VCGP- Astaldi Ingenieria y Construccion Limitada	Chile	CLP	66,000,000	0.011	0.011			IFRS 9
Spark North East Holding Pty Ltd.	Australia	AUD	1,000	7.5		7.5	MEL PP Pty Ltd.	IFRS 9
Spark North East Link Pty Ltd.	Australia	AUD	2	7.5		7.5	Spark North East Holding Pty Ltd.	IFRS 9
Spark North East Link Trust	Australia			7.5		7.5	Spark North East Holding Pty Ltd.	IFRS 9
Parklife Metro Holdings Pty L.t.d.	Australia	AUD	36,537,899	10		10	SYS TS Pty Ltd.	IFRS 9
Parklife Metro Holdings Unit Trust	Australia	AUD	36,537,899	10		10	SYS TS Pty Ltd.	IFRS 9
Parklife Metro Pty L.t.d.	Australia	AUD	10,000	10		10	Parklife Metro Holdings Pty L.t.d.	IFRS 9
Parklife Metro Unit Trust	Australia	AUD	10,000	10		10	Parklife Metro Holdings Pty L.t.d.	IFRS 9

(*) No longer consolidated

(a) Inactive or to be excluded

(b) Indirectly controlled operating company

Statement on the condensed interim consolidated financial statements

pursuant to article 81-ter of Consob regulation no. 11971 of 14 May 1999 and subsequent amendments and integrations

1 Pietro Salini, as chief executive officer, and Massimo Ferrari, as manager in charge of financial reporting, of Webuild S.p.A., considering the provisions of article 154-bis.3/4 of Legislative decree no. 58 of 24 February 1998, state:

- that the administrative and accounting procedures are adequate given the Group's characteristics; and
- that they were actually applied during the first half of 2023 to prepare the condensed interim consolidated financial statements.

2 No significant issues arose.

3 Moreover, they state that:

3.1 the condensed interim consolidated financial statements:

a) have been prepared in accordance with the applicable International Financial Reporting Standards endorsed by the European Union pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and Council of 19 July 2002;

b) are consistent with the accounting records and entries;

c) are suitable to give a true and fair view of the financial position at 30 June 2023 and the financial performance and cash flows for the six months then ended of the Issuer and its consolidated companies;

3.2 the Directors' report includes a reliable analysis of the key events that took place during the period and their impact on the condensed interim consolidated financial statements, together with information about the main risks and uncertainties to which the Group is exposed for the second half of the year. It also sets out a reliable analysis of relevant related party transactions.

Milan, 27 July 2023

Chief executive officer	Manager in charge of financial reporting
Pietro Salini	Massimo Ferrari
(signed on the original)	(signed on the original)

Report on review of condensed interim consolidated financial statements

KPMG S.p.A.
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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

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To the shareholders of
Webuild S.p.A.

Introduction

We have reviewed the accompanying condensed interim consolidated financial statements of the Webuild Group, comprising the statement of financial position as at 30 June 2023, the statements of profit or loss, comprehensive income, cash flows and changes in equity for the six months then ended and notes thereto. The directors are responsible for the preparation of these condensed interim consolidated financial statements in accordance with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union. Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review.

Scope of the review

We conducted our review in accordance with Consob (the Italian Commission for Listed Companies and the Stock Exchange) guidelines set out in Consob resolution no. 10867 dated 31 July 1997. A review of condensed interim consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the condensed interim consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements of the Webuild Group as at and for the six months ended 30 June 2023 have not been prepared, in all material respects, in accordance with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union.

Emphasis of matter

Without modifying our conclusion, we draw attention to the disclosures provided by the directors in the “Main risk factors and uncertainties” section of the directors’ report, to which the notes to the condensed interim consolidated financial statements make reference, about the major outstanding disputes, country risk exposure and other situations characterised by risk and/or uncertainty profiles.

Milan, 1 August 2023

KPMG S.p.A.

(signed on the original)

Angelo Pascali
Director of Audit