webuild

(incorporated with limited liability under the laws of the Republic of Italy)

€450,000,000

4.125 per cent. Notes due 3 July 2031

The issue price of the €450,000,000 4.125 per cent. Notes due 3 July 2031 (the "**Notes**") of Webuild S.p.A. (the "**Issuer**" or "**Webuild**") is 100 per cent. of their principal amount. Unless previously redeemed or cancelled, the Notes will be redeemed at their principal amount on 3 July 2031. The Notes are subject to redemption, in whole but not in part, at their principal amount, plus interest, if any, to the date fixed for redemption at the option of the Issuer at any time in the event of certain changes affecting taxation in the Republic of Italy. In addition, the holder of a Note may, by the exercise of the relevant option, require the Issuer to redeem such Note at 100 per cent. of its principal amount together with accrued and unpaid interest (if any) upon the occurrence of a Change of Control (as defined below). The Issuer may also elect to redeem all, but not some only, of the Notes at an amount calculated on a "make whole" basis. See "*Terms and Conditions of the Notes — Redemption and Purchase*".

The Notes will bear interest from 3 July 2025 (the "**Issue Date**") at the rate (the "**Rate of Interest**") of 4.125 per cent. per annum payable annually in arrears on 3 July each year commencing on 3 July 2026. Payments on the Notes will be made in Euro without deduction for or on account of taxes imposed or levied by the Republic of Italy to the extent described under "*Condition 9(b) (Taxation)*".

The Notes will constitute direct, general and unconditional obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the Issuer, save for certain mandatory exceptions of applicable law.

Application has been made to The Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") for the Notes to be admitted to the Official List of Euronext Dublin (the "**Official List**") and to trading on the Global Exchange Market of Euronext Dublin (the "**Global Exchange Market**"), which is the exchange-regulated market of Euronext Dublin. This Offering Circular constitutes listing particulars in respect of the admission of the Securities to the Official List and to trading on the Global Exchange Market and has been approved by Euronext Dublin. The Global Exchange Market is not a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments (as amended, "**MiFID II**"). This offering circular (the "**Offering Circular**") does not constitute a prospectus for the purposes of Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**") and in accordance with the Prospectus Regulation, no prospectus is required in connection with the issuance of the Securities. References in this Offering Circular to the Notes being "listed" (and all related references) shall mean that the Notes have been admitted to the Official List and admitted to trading on the Global Exchange Market. **Investors should note that securities to be admitted to the Official List and to trading on the Global Exchange Market will, because of their nature, normally be bought and traded by a limited number of investors who are particularly knowledgeable in investment matters.** This Offering Circular is available for viewing on the website of Euronext Dublin (https://live.euronext.com/).

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and are subject to United States tax law requirements. The Notes are being offered outside the United States by the Managers (as defined in "*Subscription and Sale*") in accordance with Regulation S under the Securities Act ("**Regulation S**"), and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. For a description of certain restrictions on transfers of the Notes, see "*Subscription and Sale*".

Investing in the Notes involves risks. See "*Risk Factors*" beginning on page 5 of this Offering Circular for a discussion of certain risks prospective investors should consider in connection with any investment in the Notes.

The Notes will be in bearer form in the denomination of €100,000 each and, for so long as the Notes are represented by a Global Note (as defined below) and Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") (or other relevant clearing system) allow, in denominations of €1,000 in excess of €100,000, up to and including €199,000. The Notes will initially be in the form of a temporary global note (the "**Temporary Global Note**"), without interest coupons, which will be deposited on or around the Issue Date with a common safekeeper for Euroclear and Clearstream, Luxembourg. The Temporary Global Note will be exchangeable, in whole or in part, for interests in a permanent global note (the "**Permanent Global Note**", and together with the Temporary Global Note, each a "**Global Note**"), without interest coupons, not earlier than 40 days after the Issue Date upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non U.S. beneficial ownership. The Permanent Global Note will be exchangeable in certain limited circumstances in whole, but not in part, for Notes in definitive form in principal amounts equal to €100,000 and integral multiples of €1,000 in excess thereof, up to and including €199,000, each with interest coupons attached. No Notes in definitive form will be issued with a denomination above €199,000. See "*Summary of Provisions Relating to the Notes in Global Form*".

The Notes are expected to be rated BB by S&P Global Ratings Europe Limited ("**Standard & Poor's**") and BB+ by Fitch Ratings Ireland Limited Sede Secondaria Italiana ("**Fitch**"). Each of Standard & Poor's and Fitch is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**"). Each of Standard & Poor's and Fitch appears on the latest update of the list of registered credit rating agencies on the ESMA website http://www.esma.europa.eu. Pursuant to Article 8d of Regulation (EC) 1060/2009 (as amended by Regulation (EU) 462/2013), the Issuer acknowledges that each of Standard & Poor's and Fitch hold more than 10 per cent. of the total market share.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

JOINT LEAD MANAGERS

BNP PARIBAS	**BofA Securities**
Goldman Sachs International	**HSBC**
IMI – Intesa Sanpaolo	**J.P. Morgan**
Natixis	**UniCredit**

CO-MANAGERS

BPER Corporate & Investment Banking	**Crédit Agricole CIB**

Offering Circular dated 1 July 2025

IMPORTANT NOTICES

The Issuer accepts responsibility for the information contained in this Offering Circular and declares that, having taken all reasonable care to ensure such is the case, the information contained in this Offering Circular, to the best of its knowledge, is in accordance with the facts and contains no omission likely to affect its import.

The Issuer has confirmed to BNP PARIBAS, BofA Securities Europe SA, Goldman Sachs International, HSBC Continental Europe, Intesa Sanpaolo S.p.A., J.P. Morgan SE, Natixis and UniCredit Bank GmbH (the "**Joint Lead Managers**") and BPER Banca S.p.A. and Crédit Agricole Corporate and Investment Bank (the "**Co-Managers**" and, together with the Joint Lead Managers, the "**Managers**") that this Offering Circular contains or incorporates all information regarding the Issuer and the Group as of the date of this Offering Circular (where "**Group**" means the Issuer and its consolidated subsidiaries) and the Notes which are (in the context of the issue of the Notes) material; such information is true and accurate in all material respects and is not misleading in any material respect; any opinions, predictions or intentions expressed in this Offering Circular on the part of the Issuer or the Group are honestly held or made and are not misleading in any material respect; this Offering Circular does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in such context) not misleading in any material respect; and all proper enquiries have been made to ascertain and to verify the foregoing.

To the fullest extent permitted by law, none of the Managers, BNY Mellon Corporate Trustee Services Limited as trustee (the "**Trustee**") or The Bank of New York Mellon, London Branch, as principal paying agent (the "**Principal Paying Agent**") accepts any responsibility for the contents of this Offering Circular or for any other statements made or purported to be made by any of the Managers or on its behalf or by the Trustee or on its behalf or by the Principal Paying Agent or on its behalf in connection with the Issuer or issue and offering of any Note. Each of the Managers, the Trustee and the Principal Paying Agent disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Offering Circular or any such statement.

This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "*Information Incorporated by Reference*"). This Offering Circular should be read and construed on the basis that such documents are incorporated in and form part of this Offering Circular.

Investors should rely only on the information contained in this Offering Circular. The Issuer has not authorised anyone to provide investors with different information. The initial purchasers are not and the Issuer is not making any offer of the Notes in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this Offering Circular is accurate as of any date other than the date on the cover of this Offering Circular regardless of the time of delivery of this Offering Circular or of any sale of the Notes.

The Issuer has not authorised the making or provision of any representation or information regarding the Issuer or the Notes other than as contained in this Offering Circular or as approved for such purpose by the Issuer. Any such representation or information should not be relied upon as having been authorised by the Issuer or the Managers.

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(a) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;

(b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

(c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency;

(d) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and

(e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Notes will be (subject to Condition 5 (*Negative pledge*)) unsecured obligations of the Issuer. In the event of any insolvency or winding-up of the Issuer, the Notes will rank equally with the Issuer's other unsecured senior indebtedness. The Notes are unsecured and, although they restrict the giving of security by the Issuer and its Material Subsidiaries (as defined in the Terms and Conditions of the Notes) over Indebtedness (as defined in the Terms and Conditions of the Notes) and guarantees in respect of such Indebtedness, a number of exceptions apply, as more fully described in Condition 5 (*Negative pledge*). Where security has been granted over assets of the Issuer to secure indebtedness, in the event of any insolvency or winding-up of the Issuer, such secured indebtedness will rank in priority over the Notes and other unsecured indebtedness of the Issuer in respect of such assets.

Neither the delivery of this Offering Circular nor the offering, sale or delivery of any Note shall in any circumstances create any implication that the information contained herein concerning the Issuer and/or its Group is correct at any time subsequent to the date hereof or that any other information supplied in connection with the offering of the Notes is correct as of any time subsequent to the date indicated in the document containing the same or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer and/or the Group since the date of this Offering Circular.

Neither this Offering Circular nor any other information supplied in connection with the offering, sale or delivery of any Note (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer or any of the Managers that any recipient of this Offering Circular or any other information supplied in connection thereto should purchase any Note. Each investor contemplating purchasing any Note should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and the Group. Neither this Offering Circular nor any other information supplied in connection with the issue of the Note constitutes an offer or invitation by or on behalf of the Issuer or any of the Managers to any person to subscribe for or to purchase any Notes.

This Offering Circular does not constitute an offer of, or an invitation to subscribe for or purchase, any Notes.

Each recipient of this Offering Circular shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer and the Group (as defined below) and of the rights attaching to the Notes.

The distribution of this Offering Circular and the offering, sale and delivery of Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer and the Managers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on distribution of this Offering Circular and other offering material relating to the Notes, see "*Subscription and Sale*".

In particular, the Notes have not been, and will not be, registered under the Securities Act and are subject to United States tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons.

MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in the UK MiFIR; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any distributor should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or the UK may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of English law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of English law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of English law by virtue of the EUWA (the "**UK Prospectus Regulation**").

Consequently no key information document required by the PRIIPs Regulation as it forms part of English law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

In addition, in the United Kingdom, this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who (i) have professional experience in matters relating to investments falling within Article 19 (5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**") and/or (ii) who are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order and/or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This document must not be acted on or relied on in the United Kingdom by persons who are not relevant persons. In the United Kingdom, any investment or investment activity to which this document relates is only available to, and will be engaged in with, relevant persons.

References to Regulations or Directives include, in relation to the UK, those Regulations or Directives as they form part of UK English law by virtue of the EUWA or have been implemented in UK English law, as appropriate.

In this Offering Circular, unless otherwise specified, references to a "**Member State**" are references to a Member State of the European Economic Area and references to "**€**", "**EUR**" or "**Euro**" are to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended. References to "**billions**" are to thousands of millions.

The language of this Offering Circular is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Certain figures included in this Offering Circular have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

Stabilisation

In connection with the issue of the Notes, UniCredit Bank GmbH (the "Stabilising Manager") (the "Stabilising Manager") (or persons acting on behalf of the Stabilising Manager) may over allot Notes or effect transactions for a limited time with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail in the open market. However, stabilisation may not necessarily occur. Any stabilisation action, if commenced, may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may cease at any time, and must be brought to an end no later than the earlier of 30 days after the Issue Date of the Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the Stabilising Manager (or any

Person acting on behalf of the Stabilising Manager) in accordance with all applicable laws and rules.

Forward-looking statements

This Offering Circular may contain forward-looking statements, including (without limitation) statements identified by the use of terminology such as “anticipates”, “believes”, “estimates”, “expects”, “intends”, “may”, “plans”, “projects”, “will”, “would” or similar words. These statements are based on the Issuer’s current expectations and projections about future events and involve substantial uncertainties. All statements, other than statements of historical facts, contained herein regarding the Issuer’s strategy, goals, plans, future financial position, projected revenues and costs or prospects are forward-looking statements. Forward-looking statements are subject to inherent risks and uncertainties, some of which cannot be predicted or quantified. Future events or actual results could differ materially from those set forth in, contemplated by or underlying forward-looking statements. The Issuer does not undertake any obligation to publicly update or revise any forward-looking statements.

Market share information and statistics

Information regarding markets, market size, market share, market position, growth rates and other industry data pertaining to the Group’s business contained in this Offering Circular consists of estimates based on data reports compiled by professional organisations and analysts, on data from other external sources, and on the Issuer’s knowledge of its reference markets. In many cases, there is no readily available external information (whether from trade associations, government bodies or other organisations) to validate market-related analyses and estimates, requiring the Issuer to rely on internally developed estimates. While the Issuer has compiled, extracted and accurately reproduced market or other industry data from external sources, including third parties or industry or general publications, neither the Issuer nor the Managers have independently verified that data. As far as the Issuer is aware, and is able to ascertain from information published by third parties, industry publications or general publications, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer cannot assure investors of the accuracy and completeness of, and takes no responsibility for, such data other than the responsibility for the correct and accurate reproduction thereof.

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RISK FACTORS

Any investment in the Notes is subject to a number of risks. Prior to investing in the Notes, prospective investors should carefully consider risk factors associated with any investment in the Notes, the business of the Issuer and the Group and the industry in which it and the Group operate together with all other information contained in this Offering Circular, including, in particular, the risk factors described below. Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Offering Circular have the same meanings in this section.

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to them and which they may not currently be able to anticipate.

FACTORS THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER THE NOTES

1. Risks relating to the impact of current macro-economic conditions

The international macroeconomic environment and the economic trends are characterised by significant uncertainty related to: (i) risks of a global economic slowdown or a possible recession; (ii) the implementation of protectionist trade policies and import tariffs and the potential for a trade war, particularly between the United States and several other countries; (iii) persistence of the Russia-Ukraine conflict and the escalation of geopolitical tensions culminating in the outbreak of Middle East conflicts, potentially exacerbating downside risks to the growth pattern and upside risks to the inflation outlook; (iv) supply-side bottlenecks which could result in high, widespread and persistent inflation; (v) the risk of outspread of pandemics (including variants of COVID-19), potentially leading to restrictions affecting economic activities; (vi) adoption of restrictive monetary policy decisions from the central banks.

The Group's business is sensitive to economic conditions in Europe and in other parts of the world, as well as the geopolitical uncertainty and/or financial market volatility; therefore, the future development in the macro-economic context and any negative variations of the factors described may restrict the global economic outlook, with a corresponding adverse effect on the Group's business, results of operations and financial condition.

The macroeconomic situation is also characterised by high levels of uncertainty as a result of the imposition of trade tariffs and the potential for a trade war between the U.S. and several other countries and regions that could disrupt trade patterns and negatively affect the world economies, and by the persistence of the Russian-Ukrainian conflict. The hostilities in Ukraine, the sanctions imposed on Russia, the resulting trade restrictions and the increase in energy, and raw material prices in general, have negatively affected markets and businesses worldwide. The recent reorientation of U.S. trade policy could amplify the existing pressures on international supply chains already affected by geopolitical conflicts and economic sanctions, potentially resulting in elevated and extended periods of geopolitical instability and could have a significant adverse impact on global economic environment and, accordingly, on the Issuer's and the Group's business, results of operation and financial condition.

Moreover, an escalation of tensions in the Middle East may undermine the stability of the global economy and lead to volatility in the global financial markets as well as prices of energy, oil and other commodities.

The Issuer's and Group's activities have been exposed to the restrictive measures (such as temporary closure of industrial plants and work sites, as well as significant limitations to the mobility of people) adopted by governments following the spread of the COVID-19 pandemic ("**COVID-19**"). The Issuer's and Group's activities are exposed to the risk arising from the adoption of restrictive measures as a consequence of the outspread of pandemics (including any new outbreak of COVID-19). The introduction of those measures could have consequences – on both the Group's target market and the ordinary conduct of its business – such as to directly and significantly affect the Group's production and operating capabilities, with subsequent negative effects on its current and prospective profitability and, therefore, on its economic, equity and financial situation.

The economic conditions could also be influenced by restrictive monetary policies implemented by central banks to counter the rise in inflation, as during 2024, that could lead to a "hard landing" of the economy with negative consequences for Government's spending and infrastructural development policies. See also "*The Group is highly dependent on the investment policies of public authorities*".

Moreover, the profitability capacity and solvency of the Issuer are also affected by the trends of certain factors, such as the investors' expectations and trust, the level and volatility of short-term and long-term interest rates, exchange rates and the financial markets liquidity.

2. Risks relating to the Issuer's and the Group's financial situation

The Group carries a significant amount of financial debt, which may increase in the future, and this may restrict its operational flexibility and competitiveness

As of 31 December 2024 and 31 December 2023, the Group's financial position was mainly composed of bank and other loans and borrowings (respectively €137.9 million and €139.9 million), current portion of bank loans and borrowings and current account facilities (respectively €490.3 million and €414.0 million), bonds (respectively €1,892.2 million and €1,600.1 million) and current portion of bond (respectively €218.7 million and €306.5 million).

As of 31 December 2024 and 31 December 2023, the Group's Gross Indebtedness was €2,944.6 million and €2,608.6 million, respectively.

The Group's significant financial indebtedness and any future increase in such indebtedness – as well as the constraints on its operations resulting from the indebtedness – may have a number of negative effects including the following: (i) the use of a significant portion of the cash flows from operations to service the Group's debt and the consequent reduction of the cash flows available for its operations; (ii) greater vulnerability of the Issuer to deterioration of its business, the economy or its industry; (iii) greater difficulty in meeting the Group's debt obligations and a significant limitation or impairment of its ability to refinance such debts; (iv) exposure to interest rate increases; (v) a disadvantage compared to competitors that have a lower level of indebtedness compared to cash flows and therefore a lower financial burden; (vi) reduced ability to seize certain business opportunities or to make acquisitions or investments; and (vii) reduced ability to obtain further loans and new credit lines to finance the Group's commercial activities and issue supporting guarantees.

Any of the foregoing circumstances may result in a material adverse effect on the Group's business, results of operations, financial condition or prospects.

In the future, the Group's indebtedness may increase for various reasons, such as potential fluctuations in operating performance of its projects, the need to fund current operations in the event of any delays in the collection of payments as part of operating activities, as well as for any investments, and potential acquisitions or joint ventures. In addition, the Group may need to seek additional financing to cover any margin calls under hedging arrangements. An increase in the level of indebtedness of the Issuer and its subsidiaries would entail a corresponding increase in the risks assumed.

Tax law in Italy may restrict the deductibility of all or a portion of the interest expenses of the Issuer or the Group's indebtedness, including interest expenses in respect of the Notes

Current tax legislation in Italy (Article 96 of Italian Presidential Decree No. 917 of 22 December 1986, as amended and restated) allows, for IRES (corporate income tax) purposes, for the full tax deductibility of interest expenses incurred by a company in each fiscal year up to the amount of the interest income of the same fiscal year, as evidenced by the relevant annual financial statements. A further deduction of interest expenses in excess of this amount is allowed up to a threshold of 30% of fiscal EBITDA (i.e., risultato operativo lordo della gestione caratteristica) ("ROL"). The amount of ROL and of interest income exceeding the interest expenses not used for the deduction of the amount of interest expenses in a fiscal year can be carried forward respectively for the following five fiscal years and without time limits. Interest expenses not deducted in a relevant fiscal year can be carried forward to the following fiscal years and deducted, provided that and to the extent that, in such fiscal years, the amount of interest expenses that exceeds interest income is lower than 30% of ROL. The carried forward ROL, determined according to accounting rules under the previously applicable limitation provision could be offset only with interest expenses incurred on loans granted before 17 June 2016, to the extent that their maturity and their total amount committed have not been changed as of that date. In the case of a tax group, interest expenses not deducted by an entity within the tax group due to lack of ROL can be deducted at the tax unity level, within the limit of the excess of ROL of the other companies within the tax group. This 30% threshold applies to the Italian resident subsidiaries of the Issuer.

Italian Legislative Decree n. 142 of 29 November 2018, enacting the EU anti-tax avoidance package was published in the Italian official gazette on 28 December 2018. The Italian ATAD Decree transposes EU Directive 2016/1164 (ATAD 1) – as amended by EU Directive 2017/952 (ATAD 2) – into the Italian legal system, providing rules against the erosion of taxable bases in the internal market and the shifting of profits out of the Italian market. Such rules are aimed at tackling double deduction or "deduction without inclusion" (deduction of a negative income component in one country, such as interest expenses under the Notes, without any taxation in the other country) due to a different characterization of financial instruments, payments, entities, and permanent establishments in various countries. The rules apply to mismatches occurring between taxpayers considered to be associated enterprises or arising in the context of a structured arrangement between two non-associated taxpayers.

The Italian tax authorities have in certain instances totally or partially limited the deductibility of the interest expenses arising in connection with certain acquisition financing, refinancing of previous acquisitions' indebtedness, dividend recapitalizations or other transactions with shareholders (such as transfer of shares intragroup). This position has been taken by arguing that the actual beneficiary of the transaction which generated the interest expense was not the acquiring entity, but its shareholders. Moreover, in circumstances where the Italian company deducting the interest expenses accrued on the aforementioned transactions was controlled by a non-Italian resident entity, the Italian tax authorities argued that such interest expense should have been re charged at arm's length to the non-Italian resident shareholders. To date, tax courts have not ruled in a consistent way with respect to these cases, although there is jurisprudence in favour of the taxpayer's position. The Italian tax authorities have recently ruled that the deduction of interest expenses arising from indebtedness, incurred with third parties in the context of the acquisition transactions, should not be denied when such acquisitions are genuinely held.

In addition, there can be no assurance that in the case of a tax audit, the relevant tax authorities would not try to challenge the deductibility of interest expenses arising in connection with the component of any financing used, in whole or in part, to refinance an outstanding loan or debt, when the terms and conditions of the refinancing transaction appear less favourable than the ones of the previous financing transaction. In particular, in such circumstances, the relevant tax authorities could argue that the interest expenses arising from such financing does not relate to the business of the borrowing entity (as the relevant transaction is deemed as "anti-economic" and as such not compliant with the "inherence" principle set out under Italian tax law).

Existing indebtedness and related covenants and restrictions could adversely affect the Issuer's business

The Group's loan agreements and other debt instruments include a number of covenants that impose restrictions on the way the Group can operate, including prohibitions and/or restrictions on its ability to, inter alia: (a) make acquisitions or investments; (b) issue loans or otherwise extend credit to other entities; (c) incur indebtedness; (d) under limited circumstances, pay dividends; or (e) create or incur liens on the Group's assets.

Furthermore, such loan agreements and other debt instruments may also include prohibitions of certain events, including events that would constitute an "Asset Sale" and including repurchases of or other prepayments in respect of the Notes pursuant to Condition 4(c) (*Limitation on Sales of Certain Assets*). As a result, the exercise by the holders of Notes of their right to require the Issuer to repurchase Notes upon an Asset Sale could cause a default under these other agreements, even if the Asset Sale itself does not, due to the financial effect of such repurchases on the Issuer. In the event an Asset Sale occurs at a time when the Issuer is prohibited from purchasing Notes, the Issuer could seek the consent of its lenders under the facilities prohibiting such repurchase to the purchase of Notes or could attempt to refinance the borrowings that contain such prohibition. If the Issuer does not obtain a consent or repay those borrowings, the Issuer will remain prohibited from purchasing Notes. In that case, the Issuer's failure to purchase tendered Notes would constitute an Event of Default under the Conditions, which, in turn, could constitute a default under the other Indebtedness. Finally, the Issuer's ability to pay cash to the Noteholders upon a repurchase may be limited by the Issuer's then existing financial resources.

Any of the foregoing may affect the Group's reputation and have negative effects on its business, financial condition and results of operations.

In addition, (i) breaches under one facility agreement or debt instrument may trigger cross-default and cross-acceleration clauses under other facilities agreements or debt instruments; (ii) certain of the Group's debt instruments and financing agreements contain change of control provisions which give the lenders or noteholders a right to request prepayment or, in the case of notes, to exercise a put option vis-à-vis the Issuer. Any of the foregoing may affect the Group's reputation and have negative effects on its business, financial condition and results of operations. See "*Description of the Issuer – Financing*" and "*History and Development – Progetto Italia and the Astaldi Transaction – The Astaldi Transaction*".

A breach of any of the covenants or prohibition or restrictions described therein could result in a default that would enable the Group's creditors to declare all amounts due and payable, together with accrued and unpaid interest, and the commitments of the relevant lenders to make further extensions of credit could be terminated.

Should market conditions deteriorate or fail to improve, or in the event the Group's operating results decrease, the Group may need to request waivers to such covenants or prohibition or restrictions. However, there can be no assurance that it will be able to obtain such waiver.

Failure to comply with the covenants and financial commitments undertaken, or with other contractual provisions, including forecasts on the possibility to enforce change of control provisions, failure to make agreed repayments of principal and interest, or failure to refinance existing loans could have a material adverse effect on the Group's operations, financial condition and results of operations or prospects.

The level of the Consolidated Coverage Ratio could limit the possibility of the Group to incur indebtedness

The terms and conditions of the outstanding bonds of the Issuer (listed in section "*Description of the Issuer* – Financing") include an incurrence covenant pursuant to which if the consolidated coverage ratio of the Group is lower than 2.5:1.0, the Group may not incur additional financial indebtedness unless it constitutes "Permitted Indebtedness" as defined in the conditions of such bonds (which includes, among others, any refinancing of existing indebtedness and the incurrence of additional indebtedness up to an aggregate principal amount equal to 15 per cent. of consolidated total assets).

Any of the foregoing factors could prevent the Group from implementing its strategy and could have a material adverse effect on the Group's business, financial condition or results of operations.

Downgrading of the Issuer's ratings may have a material adverse effect

The Issuer's credit ratings are an assessment of its creditworthiness, *i.e*. its ability to meet its financial commitments. In connection with bond issuances, a rating represents an assessment of the credit recoverability, *i.e.* the Issuer's ability to meet its obligations to pay principal and interest at the maturity dates set out in the terms and conditions of the notes. Any downgrade, actual or expected, of the Issuer's ratings or the related outlook could limit its access to the capital markets and increase the cost of raising and/or refinancing outstanding debt. At the same time, an improvement in rating would not decrease the other investment risks related to the Issuer and the Group.

The assessments from Fitch dated 30 May 2025 resulted in an upgrade of the Issuer's rating ("BB+") with a stable outlook. The assessments from S&P dated 11 July 2024, resulted in a confirmation of the Issuer's rating ("BB") with an upgrade of the outlook from Stable to Positive. Credit rating agencies continually revise their ratings and outlook for the companies that they follow, including Webuild. The credit rating agencies also evaluate the Group's industry as a whole and may change their credit ratings or outlook for the Issuer based on their overall view of such industry.

Downgrades may depend on risks or events concerning the Webuild Group, but also on contingent circumstances and/or circumstances beyond the Group's control, including the market conditions, pandemic emergencies, exposure in countries deemed to be at risk or uncertainties underlying particular transactions. See also "Description of the Issuer".

The Group may not be able to raise the funds necessary to carry out its activities or refinance its existing indebtedness and is exposed to liquidity risks

The Group's cash needs in connection with its business are generally high. The Group finances these needs mainly through borrowings under new or existing committed and uncommitted credit facilities, that need to be renewed periodically. A material adverse effect on business, financial condition, and operations results could affect the Group in the event of impossibility to renew the credit facilities on economically attractive terms or at all.

Moreover, the Group is exposed to liquidity risks, including the risk associated with the failure to refinance existing indebtedness, the risk that borrowing facilities are not available to meet cash requirements and the risk that the Group's financial assets may not readily be converted to cash without loss of value.

In addition, the geopolitical tensions related to the implementation of protectionist trade policies and import tariffs by the United States and the potential trade war, the Russia-Ukraine and Middle East conflicts, with the subsequent worsening of macroeconomic conditions, have given rise to restricted access to credit, reduced liquidity in the financial markets and severe volatility in debt and equity markets. Failure to obtain promptly the necessary liquidity may have a material adverse effect on the Group's business, financial condition, results of operations or prospects. For instance, in a context of project financing transactions, limited access to credit, with particular regard to medium/long-term credit typical of such transactions, could led to delays in the start-up of the concession and an increased burden on the consortium of which the Group belongs.

As of 31 December 2024, at a consolidated level, the Group recorded cash and cash equivalents of €3,214.8 million. A significant portion of this liquidity is attributed to specific projects and held locally by the project companies in order to meet their short-term funding needs and, therefore, the Group may not have immediate access to such liquidity. In particular, liquidity management is designed to ensure the financial independence of ongoing contracts, considering the structure of the consortia and SPEs, which may result in financial resources being available only to the related projects.

A failure, even temporary, to maintain adequate liquidity could have a material adverse effect on the Group's business, financial condition, result of operations or prospects.

The Group may be unable to meet the obligations deriving from current guarantees (including bid bonds and performance bonds) granted to the Group to complete its ongoing projects, or to obtain new guarantees

The infrastructure market requires the granting of guarantees by, among others, banks or insurance companies in favour of the Group's customers, partners and suppliers in order to participate in competitive tenders or enter into and execute contracts. These guarantees cover the proposal stage (bid or tender bond) and the execution of the works under contract (performance bond or other similar bonds). As of 31 December 2024, the aggregate amount of the contractual guarantees provided by the Group and issued by third parties was €22,171 million (€21,113 million as of 31 December 2023). These are off-balance sheet items.

In addition, the Issuer generally enters into indemnities and provide guarantees and counter-guarantees in favour of the Group companies (including guarantees for credit lines of the joint ventures, affiliated companies and other associates).

The ability to obtain such guarantees and bonds from banks and insurance companies depends on their assessment of the Group's overall financial condition and, in particular, the financial condition of the individual company concerned, the risks of the project and the experience and competitive positioning of the relevant company in the sector in which it operates, as well as on the general attitude of banks and insurance companies and their willingness to be involved in the construction business. Further, these guarantees and bonds are typically issued on a ''first demand basis'' and, therefore, if due, payment may be demanded without conditions, without prejudice to the possibility of recourse against the Group. If called upon, the Group would be required to reimburse the entity issuing the guarantee immediately or risk default under the contract, even if there are no legal grounds for the calling of the bond.

If (i) the Group is unable to obtain new guarantees and bonds, (ii) the Group obtains new guarantees or renegotiate existing guarantees and bonds on less favourable financial terms, (iii) an existing guarantee relating to an ongoing project is cancelled, expires or is not renewed, or (iv) banks or insurance companies request additional guarantees to cover their exposure, the Group may incur higher costs, fail to meet the terms and conditions of existing contracts and its ability to obtain new orders may be prejudiced or be more costly, which could have a material adverse effect on the Group's business, financial condition and results of operations.

In addition, in the event the guarantees provided by the Group are enforced, it would be exposed to the risk of substantial cash outflows, which could have a material adverse effect on the Group's business, financial condition and results of operations.

A portion of the Group's debt bears interest at floating rates

The Webuild Group uses various external sources of financing in the form of both short-term and medium/long-term debt and is therefore exposed to borrowing costs and interest rate volatility, with particular reference to contracts that provide for variable interest rates, which do not enable it to predict the exact amount of interest payable during the term of the loan.

If significant interest rate fluctuations occur and are not adequately covered through hedging transactions, the Group's interest expense could increase, which could have a material adverse effect on its business, financial condition, results of operations or prospects. See also "*Description of the Issuer – Financing*".

3. Risk Factors relating to the Issuer's business activities and industry

Due to the extensive international operations, the Group is exposed to risks inherent to its operations in foreign countries and international business.

The Group has an established international presence, and it intends to continue its expansion into new geographical areas, exploring opportunities in other markets that the Issuer considers interesting. As of the date of this Offering Circular, the geographical areas of greater interest to the Group, in addition to Italy, include Australia, USA, Middle East and European countries. In deciding whether to enter a new geography and/or to maintain its strategic presence in international markets, the Issuer takes into account the political, economic and financial risks of the markets, the reliability of the potential clients and the development opportunities in the medium and long-term.

For the year ended 31 December 2024 and the year ended 31 December 2023, respectively, 67% and 66% of the Group's total adjusted revenues were generated abroad. As of the same dates, the construction backlog (including plants) for foreign projects represented, respectively, approximately 54% and 52% of the Group's total construction backlog.

Consequently, the Group is exposed to risks associated with social, economic, political, geographical and regulatory conditions in each of the countries in which it operates, including:

(i) unexpected differences and changes in the overall regulatory framework; (ii) the need to comply with, and compare, new and different legislative and regulatory provisions, their application and interpretation, and the related compliance costs; (iii) changes in government policies; (iv) the possible lack of adequate protection of contractual rights, the inexperience of the judicial bodies in the interpretation of the new rules (and sometimes the limited independence of these bodies), the retroactive application of the rules and the difficulty in enforcing judgments; (v) longer payment periods and difficulties in collecting the Group's account receivables, also due to the lengthiness of the court proceedings; (vi) tariffs, duties, export controls, import restrictions and other trade barriers; (vii) union unrest; (viii) litigation, regulatory and administrative proceedings, including proceedings that could take years to resolve; (ix) higher interest rates and inflation rates; (x) the seizure of property by nationalization or expropriation without fair compensation; (xi) monetary policy, foreign exchange controls and restrictions on repatriation of funds (such as restrictions on the export of liquidity relating to contracts in Ethiopia); (xii) sanctions and embargoes; (xiii) an increase in the risk of corruption; (xiv) acts of war, civil unrest, force majeure and terrorism, armed conflicts; and (xv) political, economic and social instability at the local level, which involves aspects such as the security of the country, criminal acts, riots, terrorism – as, for example, experienced by the Group, in the past, in the context of the realisation of a project in Turkey, a contract no longer in the portfolio – as well as armed conflicts, sanctions and seizure of equipment.

Any of the foregoing factors could prevent the Group from implementing its strategy or result in a loss on an investment or in a cost that could have a material adverse effect on the Group's business, financial condition or results of operations.

In addition, political and economic uncertainty of the countries in which the Group operates may require it to further write down its assets, as it did in 2019 and June 2020 in Argentina, in 2017, 2018 and 2019 in relation to the Group's projects in Venezuela and in June and December 2022 in relation to Group's credit towards Ukraine. In addition, the Group has also suspended building activities on its projects in Venezuela and Libya due to social unrest and political instability. The occurrence or the deterioration of any of the foregoing circumstances or situations, could have a material adverse effect on the Group's business, financial condition and results of operations.

If any of the above risks were to materialize or if the foregoing circumstances or situations the Group is currently experiencing were to deteriorate, there could be a material adverse effect on its business, financial condition and results of operations.

Acquisitions may not be successfully implemented if the Issuer incorrectly assesses the value of an acquisition or its integration with the Group

In the contest of the Group's dimensional growth, the Issuer has carried out certain acquisition of Italian and international operators which have enabled it to acquire innovative technical and engineering skills that are functional in increasing the Group's timeliness in responding to infrastructure investment programs promoted by national governments, including in accordance with the UN-defined Sustainable Development Goals (SDGs) and the fight against climate change.

In particular, "Progetto Italia" was an industrial project that the Issuer promoted with a view to (i) consolidating the Italian infrastructure and construction sector through the acquisition of Italian operators; (ii) supporting the recovery of the construction sector in Italy; and (iii) increasing the competitiveness of Italian companies in the international markets. See "*Description of the Issuer – History and Development – Progetto Italia and the Astaldi Transaction*".

Besides acquisitions connected with Progetto Italia, on 16 February 2023, the Group acquired the assets of the Australian company Clough Limited ("**Clough**") from Clough Voluntary Administrators. See "*Description of the Issuer – History and Development – Clough Transaction*".

Even where the Issuer is able to identify a target, any assessments of its merits are inherently uncertain and are, inter alia, subject to a number of estimates and assumptions regarding profitability, growth, interest rates and business valuations which are in turn based on a limited set of information, generally obtained through the customary due diligence exercise. All such evaluations, estimates and assumptions may prove to be incorrect or incomplete. Such assessments and estimates may differ significantly from actual circumstances and developments. Furthermore, even following the completion of this activity, the Issuer may not be able to identify all the critical aspects relating to the target company and the future risks that could arise from the transaction, or to accept unfavourable conditions or relations in view of the overall benefits expected from the transaction (for example, by acquiring financial contracts containing more onerous commitments and covenants than those typically negotiated by the Group). In addition, such transactions may expose the Issuer to risks associated with liabilities and/or disputes arising from the previous operations of the acquired companies or businesses. Any of the foregoing circumstances may result in a material adverse effect on the Group's business, financial condition and results of operations.

After the acquisition of a target company, the Issuer may also face unexpected problems or other issues, for example, capital losses and/or non-existence of assets or the occurrence of liabilities not found in the course of due diligence activity. If the Issuer cannot recover such amounts under the indemnity provisions of the relevant acquisition agreement, or it is not otherwise able to recover the full amount of the damages it may suffer, this would have a material adverse effect on the Group's business, results of operations and financial condition, as well as on its reputation, with potential negative effects also on the market price of the shares.

When the acquisition is performed from or related to a company under bankruptcy or similar procedures (such as "Voluntary Administration" in Australia or "*concordato preventivo*" or "*amministrazione straordinaria*" in Italy), the Group is also exposed to the risk that the rules of said procedures protecting the investment are not applied by local or foreign courts, arbitration proceedings, administrative orders.

Risks connected to the Astaldi Transaction

On 5 November 2020, Webuild, through the subscription of the €225,000,000 reserved capital increase of Astaldi S.p.A. ("**Astaldi**"), acquired a controlling stake in Astaldi. On 1 August 2021, the partial and proportional demerger of Astaldi's operations in the building, infrastructure construction, plant engineering, design, maintenance, facility management and complex system management sectors (the "**Astaldi EPC Business**") in favour of Webuild became effective for statutory, accounting and tax purposes. As a result of the demerger, (i) the Astaldi EPC Business was transferred to Webuild, and (ii) Astaldi (whose shares were delisted and whose sole shareholder is a newly established foundation) will continue to be the owner of, and to manage, the assets and legal relationships transferred to the separate unit ("*patrimonio destinato*") set up by it on 24 May 2020. See "*Description of the Issuer – History and Development – Progetto Italia and the Astaldi Transaction – The Astaldi Transaction*".

In light of the above, the Issuer is exposed to several risks connected with Astaldi and its business, including, without limitation, the risks relating to Astaldi's composition with creditors procedure and its effects in foreign countries which do not recognise the application of Italian legislation on such procedure. In particular, the Issuer may be requested to issue guarantees in the interest of Astaldi or the Astaldi EPC Business or to grant loans to or on behalf of Astaldi or the Astaldi EPC Business or to guarantee Astaldi's obligations in relation to projects in which Astaldi was involved or in relation to the Astaldi EPC Business.

Foreign contracting authorities (*stazioni appaltanti*) and/or consortium partners may object that the Astaldi Transaction (as defined below) constitutes a breach of any contractual provisions having the effect of preventing the transfer of the Astaldi EPC Business to the Issuer and, therefore, the Issuer may incur obligations or limitations of rights and loss of contracts.

Risks connected to the transfer of Italian activities to a subsidiary

In the context of the Astaldi Transaction, with effect from 1 August 2021, Astaldi transferred its Italian business to Partecipazioni Italia S.p.A., a company now fully owned by the Issuer.

Contracting authorities (*stazioni appaltanti*) and/or consortium partners may object that such transfers constitute a breach of any contractual provisions having the effect of preventing the transfer of certain assets or business to third parties.

Risks connected to Clough's Asset acquisitions

On 16 February 2023, the Group acquired the assets of the Australian company Clough from Clough Voluntary Administrators as stipulated under the Deed of Company Arrangement.

In light of the above, the Issuer is exposed to several risks connected with Clough and its business, including, without limitation, the risks relating to the implementation of the Deed of Company Arrangement and its effects in Australia and foreign countries which do not recognise the application of Australian legislation on Voluntary Administration procedure. In particular, the Issuer may be requested to issue guarantees in the interest of Clough or to grant loans to or on behalf of Clough or to guarantee Clough's obligations in relation to projects in which Clough was involved or in relation to the Clough Business.

The Issuer is exposed to the risk related to the integration of Clough in the Issuer's Group, business, procedures and rules. See "*Description of the Issuer – History and Development – Clough Transaction*".

The Group is highly dependent on the investment policies of public authorities

Contracts with public entities represent a significant majority of the Group's current projects. Consequently, a significant portion of the Group's activities depends heavily on the spending and infrastructural development policies adopted by the governments and public administration of the countries in which the Group operates (for instance the PNRR program and similar others in Italy).

Government clients and local public authorities are under no obligation to maintain investment at any specific level and funds for any program may even be eliminated for a number of reasons, including public budget constraints. The Group may start works on a specific government project but, due to the lack or revocation of government funding, the project may subsequently not be completed within the original time frame or not be completed at all. Governments and authorities could also change their procurement methodologies, which could have an adverse impact on the Group including, for example, if the new methodologies entail additional commercial risks or involve reduced margins. Global economic instability and recessionary economic conditions in many countries in which the Group operates could result in PSEs facing significantly reduced tax revenue and budget deficits, which, in turn, could adversely affect their borrowing capacity and prevent them from funding infrastructure maintenance and construction projects. As a consequence, PSEs may abandon, delay or reconsider potential projects, exercise their right to terminate contracts or redefine their terms or defer payment in order to reduce costs or delay the time of payment.

Any future changes in investment policies, the allocation of funds for public works, infrastructure development policies, delays in the allocation of major projects, the deferment or cancellation of projects previously awarded or changes in their economic terms could compromise the operations and have a material adverse effect on the Group's activities, financial position and results of operations or prospects.

Counterparty risk

As of 31 December 2024, the Group had trade receivables totalling €4,212.9 million, equal to 23.1% of its consolidated total assets (as of 31 December 2023, €3,896.5 million, equal to 24.1% of the consolidated total assets).

The Group is exposed to the risk of its counterparties' failure to perform their obligations, which include not only customers but also, *inter alia*, project partners, subcontractors and financial counterparties (see also "*Risk Factors – Risk Factors relating to the Issuer's business activities and industry – The Group depends on subcontractors, suppliers and other third parties for the operations of its businesses*"), who may become insolvent or default under their contracts, or be significantly late in paying the Group companies, due to bankruptcy, shortage of liquidity, operating malfunctions or for other reasons, especially during economic downturns.

The Group usually operates through partnerships with other primary operators, consortia and joint ventures. As is customary in the relevant industry and as required in the tender process, most of the Group's agreements provide for joint and several liability with its partners. If there is a breach of an agreement by one of these partners, the Group could be held liable for their obligations (without prejudice to the right of recourse). If any such third-party partner becomes insolvent or is otherwise unable to meet its obligations in connection with a particular project, the Group will need to find, in a timely manner, suitable replacement to carry out that party's obligations. The Group may also be exposed to the risk that it may have to fulfil the obligations of the insolvent or defaulting counterparty autonomously, bearing the related costs and any organizational complexities. Certain sizeable Italian operators in the construction sector have experienced or are experiencing financial difficulties or are involved in bankruptcy or insolvency proceedings, including certain of the Group's partners.

Furthermore, the Issuer cannot exclude that the Group's financial counterparties may also become unable to meet their obligations. If banks, credit institutions or other third parties in their capacity as lenders or guarantors, for any reason whatsoever (for example due to situations of political and economic instability within individual countries), were to default on their obligations under loan agreements or other agreements, the Group would need to replace such credit lines in a timely manner, thereby incurring additional costs. In addition, cases of insolvency or late performance by financial or commercial counterparties could lead to an increase in the Group's costs or liabilities.

In the event of failure to meet or delay in meeting payment obligations to the Group, the Group may also be exposed to the risk of anticipating the costs and resources required to complete the projects. While the Group may be able to bring legal action before courts or arbitration panels against the defaulting financial institution, such action is not guaranteed to succeed and would lead to an increase in costs.

Furthermore, in the event the Group is unable to collect its trade receivables, it may be necessary to write down or even write off these receivables and the Group may need to seek alternative sources of financing to meet its working capital requirements. For example, in light of the uncertainty of the political and economic situation and the social tensions in Venezuela, and the Russia-Ukrainian conflict the Group decided to fully write down certain of its assets.

Failure or delays by the Group's partners to carry out their obligations under the relevant agreements could have a material adverse effect on the Group's business, financial position and results of operations or prospects.

The Group may be unable to meet contractual milestones and qualitative or quantitative benchmarks

The construction business is highly schedule-driven and failure to meet contractual milestones and, in relation to some projects, failure to meet the contractually agreed quantitative and qualitative benchmarks (*e.g.*, guaranteed minimum production of energy for production plants) may adversely affect the execution of the relevant contract.

During the execution of construction works, the Group may encounter unexpected operational issues or difficulties, including, without limitation, technical engineering issues in areas characterised by significant geological and geotechnical issues, adverse weather conditions, the discovery of contaminated soils not identified by the soil samples, analysis and investigations conducted during the planning phase, or unexpected archaeological finds during construction works. These risks are also more frequent in the case of larger or more complex projects. As a result, the Group may not be able to complete the works and may be required to submit variations to working plans for approval.

Although the construction contracts and the agreements entered into by the Group usually include specific provisions aimed at governing operational risks, the occurrence of operating difficulties may result in the delayed delivery of the works, cost overruns and negotiations with the customers for the execution of specific contractual addenda, to acknowledge time extensions and possibly increase the contract price or, in extreme cases, the impossibility for the Group to complete the project, with a consequent material adverse effect on its business, financial condition and results of operations or prospects.

Furthermore, the occurrence of a force majeure or other unpredictable event that affects a project on which the Group is working may cause delays, suspensions and cancellations or otherwise prevent it from completing and/or operating such project. In particular, if one or more of the Group's facilities or construction sites were to be subject to fire, flood, adverse weather conditions, earthquakes, other natural disasters, terrorism, power loss or other catastrophe, in the absence of contractual indemnities or insurance policies, the Group may not be able to carry out its business activities at that location or such operations could be significantly reduced.

The foregoing may also entail, in addition to the application of penalties and, in certain cases, the early termination of the relevant contract (with possible negative impacts on the Group's reputation), a loss of the revenues from projects affected by the aforementioned events and/or increase in costs and potential enforcement of the contractual guarantees. See also "*Risk Factors – Risks relating to the Issuer's and the Group's financial situation – The Group may be unable to meet the obligations deriving from current guarantees (including bid bonds and performance bonds) granted to the Group to complete its ongoing projects, or to obtain new guarantees*".

In addition, any delay or underperformance in relation to Group projects could lead to inefficiencies in the management of resources to be allocated to other projects. See also "*Risk Factors – Risk Factors relating to the Issuer's business activities and industry – Events beyond the Group's control, errors and unforeseen events or circumstances may affect the estimated timing and costs*".

The occurrence of any of these events would have a material adverse effect on the Group's business, financial condition and results of operations or prospects.

There are risks associated with the significant variation in the Group's financial results

The construction sector is characterized by a high level of uncertainty and results may be affected by the occurrence of unforeseeable events. There are risks associated with investing in the Issuer's shares and/or financial instruments, given the significant variation in its financial results, which is primarily attributable to certain non-recurring events.

The Group's financial results are also influenced by its ability to win the major works that represent its core business.

The Group is exposed to risks related to the quantification and recovery of claims, variations of projects and indemnities

During the execution of the projects, as typical in the construction sector, the Group may incur costs above those included in the contract price that are attributable, directly or indirectly, to the customer (*e.g.*, delays or changes in the initial project scope, increases in raw material prices) thus entitling the Group to request additional costs or refunds.

In such circumstances, the possibility of increasing the costs to be borne by the customer (*e.g.*, personnel or materials costs) may be legally or contractually limited. For example, until recently in Italy, the ability to revise prices was abolished several years ago and currently the law provides only for limited recognition of compensation as a result of the increase in the costs of certain materials. In line with applicable accounting standards, the Issuer records as revenue the amount subject to these claims or relating to variation of projects when, also on the basis of technical and legal opinions, it is highly probable that it will obtain their recognition by the customers, even if the amounts have not yet been approved by the customers. However, the Issuer cannot guarantee the outcome of the negotiations and arbitrations, which are inherently uncertain, and it may be obligated to write off part or all of these amounts. Possible delays in negotiations with the customers or in the recognition by the customers of the works already performed or the relevant payment terms could also have a negative impact on the timing of the Group's cash flows or on revenue, which could in turn require the Group to incur additional indebtedness.

The recognition, quantification and collection of additional compensation from customers or higher costs incurred by the Group involve complex procedures and, often, recourse to judicial or arbitration procedures, sometimes lengthy and costly. In addition, even in the presence of a favourable decision, it may be necessary to proceed with enforcement actions, which would require the Group to incur additional costs and increase the time required for the collection of amounts, with the risk that the customer lacks sufficient assets to satisfy the judgment. Further, the claims submitted could be accepted for amounts that are significantly lower than those requested, or with a considerable delay.

The occurrence of any of these events would have a material adverse effect on the Group's business, financial condition and results of operations or prospects.

Events beyond the Group's control, errors and unforeseen events or circumstances may affect the estimated timing and costs

Regardless of the experience and track record of the Group in the field of construction activities, it cannot be excluded that actual project costs could differ, even significantly, from those originally estimated.

For Engineering Procurement and Construction (EPC) contracts, pricing is based in part on cost and scheduling estimates that rely on a number of assumptions, including those relating to future economic conditions, prices, the availability of labour, equipment and materials, as well as on partners' expertise in assessing the costs associated with certain contracts. All the bids that the Group submits are subject to a risk classification procedure that involves the assessment by a committee comprised of professionals and risk managers, who monitor the entire process, from the preparation of the bid to the award of the contract, up to the delivery of the work.

If estimates prove to be inaccurate, if costs increase due to errors or ambiguities in contract specifications, design or construction services, or if circumstances change as a result of unforeseen technical or operational problems, or the Group's suppliers, subcontractors or partners are unable to perform, the Group may face significant cost overruns. As a consequence, the Group could face a reduction in estimated profits, or, in extreme cases, a loss on an individual contract, and therefore a reduction in Gross operating profit (EBITDA), Operating profit (EBIT) and, ultimately, the net result, as well as a possible negative effect on liquidity.

Not all of the Group's contracts provide protection mechanisms and, even where such mechanisms are present, such as clauses that allow all or part of the related risks to be borne by the customer, there is no guarantee that the Group will be able to enforce them successfully.

Significant cost overruns that the Group is not able to recover from the client would have a material adverse effect on its business, financial condition and results of operations or prospects.

The Group's backlog is subject to unexpected adjustments and project cancellations and is, therefore, not necessarily indicative of future revenue or results of operations

The Issuer calculates its construction backlog to include the contract value of projects that it is reasonably certain will be executed, which includes those projects that have either been awarded (*i.e.*, after tender submission and upon receipt of official notification from the customer, but prior to signing of definitive and binding project contracts) or for which definitive binding project contracts have been signed by the relevant parties.

As of 31 December 2024, the Group's construction backlog (including plants) amounted to €54,268.3 million and its total backlog amounted to €63,213.7.

The construction backlog also includes the contract value of projects that have been postponed or suspended, even indefinitely (i.e., projects in Venezuela and Libya), but, in this case, the Issuer does not reduce the value of its construction backlog until that contract has formally been cancelled or reduced. If the customers cancel or reduce orders that the Group has in its construction backlog (e.g., as in the case of the S3, S8 and A1F road projects in Poland or E04 project in Sweden), expected revenues would be reduced and the Group may be unable to secure replacement contracts equivalent in scope and duration to replace the current construction backlog.

Furthermore, there is no certainty that the Group's construction backlog will generate expected revenues or cash flows or generate them at the time expected or at all, as the Group may encounter unforeseen events or circumstances, including, inter alia, cancellation, interruption or scaling down of projects, change of orders, delays to complete projects, delays in commencing work, disruption of work, irrecoverable cost overruns or other unforeseen events, may affect the profitability of each project comprising the construction backlog, which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects. See also "*Risk Factors – Risk Factors relating to the Issuer's business activities* *and industry – Events beyond the Group's control, errors and unforeseen events or circumstances may affect the estimated timing and costs*".

For reasons not attributable to the Group and in many cases related to the political and economic environment of the countries in which the Group operates, the Group has experienced significant construction delays or slowdowns with respect to certain projects, which in certain cases have been suspended entirely. For example, the Group has suspended building activities on its projects in Venezuela and Libya due to social unrest and political instability.

Construction backlog measurement is not subject to generally accepted accounting principles (IFRS) and construction backlog figures are unaudited. In addition, other companies in the Group's industry may calculate their backlog differently, thereby limiting the usefulness of this metric as a comparative measure. The measurement method of the Group's construction backlog differs from the method used to prepare the disclosure on "unsatisfied performance obligations" in accordance with IFRS 15 as set out in note 33 to the 2024 Consolidated Financial Statements. For instance, as of 31 December 2024 and as of 31 December 2023, unsatisfied performance obligation amounted, respectively, to €47,101 million and €47,452 million (as opposed to, respectively, a construction backlog of €54,268.3 million and €54,856 million).

Consequently, backlog as of any particular date is not necessarily indicative of the Group's future revenues or operating results and may not result in actual revenue during the expected time periods or at all, resulting in a material adverse effect on the Group's business, financial condition and results of operations.

Lastly, the Group's concessions backlog, which includes projects the Group operates through unconsolidated minority-owned special-purpose companies, is not indicative of its future revenue, because the Issuer accounts for most of those companies' financial results on the equity method and record them as "Share of profit (loss) of equity-accounted investees". Therefore, the Group depends on unconsolidated minority-held special-purpose companies generating distributable profits distributing a dividend, which may be outside its control.

The Group depends on subcontractors, suppliers and other third parties for the operations of its businesses

For the year ended 31 December 2024, subcontract costs represented 29.9% of the Group's total operating costs (32.1% for the year ended 31 December 2023).

The Group's ability to fulfil its obligations *vis-à-vis* the customer is also influenced by the correct and timely fulfilment of contractual obligations by subcontractors and suppliers. The failure, incomplete or late execution of the contractual obligations of a subcontractor or supplier may give rise to the Group's liability *vis-à-vis* the customer, which will worsen should the Group be unable to promptly replace the defaulting subcontractor or supplier.

The Group employs subcontractors in the performance of its obligations under certain contracts. It also relies on third-party manufacturers and suppliers to provide much of the equipment and raw materials, respectively, used for its projects. If a subcontractor fails to provide timely or adequate services or works, or if a supplier fails to provide equipment or raw materials, the Group may be required to source such services, equipment or raw materials at a higher price than anticipated and it may not be able to pass on any or all of such increased costs to its customers. See also "*Risk Factors – Risk Factors relating to the Issuer's business activities and industry – Events beyond the Group's control, errors and unforeseen events or circumstances may affect the estimated timing and costs*". Furthermore, delivery by the Group's suppliers of faulty equipment or raw materials could also negatively impact the projects, resulting in claims against the Group for failure to meet required project specifications. See also "*Risk Factors – Risk Factors relating to the Issuer's business activities and industry – The Group may be unable to meet contractual milestones and qualitative or quantitative benchmarks*".

While the contractual arrangements with subcontractors or the applicable laws would ordinarily provide for the Group to receive compensation or indemnification in such circumstances and despite the provision of appropriate policies to ensure the proper performance of obligations, there can be no guarantee that such compensation/indemnification will be actually obtained or will fully cover the costs incurred in an attempt to mitigate the effects of such non-performance and to properly perform the existing contract. Sometimes the applicable laws provide for particular forms of joint liability between the contractor and the subcontractor. For example, under Italian law, the contractor is jointly and severally liable with the subcontractor for the remuneration, social security and insurance obligations of the subcontractor's employees. Consequently, if one of the Group's subcontractors does not pay the amounts due, the Group may be held liable for its share as well.

These risks are significant during times of economic downturn or stagnation as the Group's suppliers and subcontractors may experience financial difficulties or find it difficult to obtain sufficient financing to fund their shipments or operations and, therefore, may not be able to provide the Group with the contracted supplies or services for its projects.

If any of these risks were to materialize, there would be repercussions, even material, on the Group's reputation, as well as there would be a material adverse effect on Group's business, financial condition and results of operations or prospects.

Risks associated with fluctuations in currency exchange rates

While preparing the Issuer's consolidated financial statements in Euro, it holds assets and liabilities in a number of different currencies, some of which are not freely convertible or subject to government restrictions. As a result, fluctuations in foreign currencies relative to the Euro impact the Group's results of operations. In addition, the Group is exposed to foreign exchange translation risk with respect to certain of its subsidiaries that keep their financial statements and accounts in currencies other than the Euro. The contribution of these subsidiaries to the consolidated financial statements is affected by the exchange rate between their reporting currency and the Euro. Indeed, changes in foreign currency exchange rates can potentially affect the value of the Group's foreign assets, revenues, liabilities and costs when translated and reported in Euro. For the year ended 31 December 2024, the consolidated net exchange gains represented 0.03% of the Group's revenue and other income.

Consequently, the Group's exposure to exchange rates varies according to a number of factors, including, but not limited to, the timing of financial transactions and the currency denomination of revenues and costs, including capital investment.

Unforeseen fluctuations in exchange rates, as well as the imposition by government and monetary authorities of exchange controls which could adversely affect an applicable exchange rate, may occur and may reduce the value of the Group's foreign assets and revenues, and increase its costs when translated and reported in Euro, the impact of which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

The Group operates in a highly competitive and cyclical industry

The construction industry is cyclical in nature and largely dependent on investments undertaken by both the public and private sectors. The level of investment by the public and private sectors is, in turn, connected to general economic conditions. See "*Risk Factors – Risk Factors relating to the Issuer's business activities and industry – The Group is highly dependent on the investment policies of public authorities*". Slow economic growth or a deterioration in global economic conditions could affect governments' borrowing capacity and prevent them from funding capital investment, asset maintenance and infrastructure construction projects.

Despite the global economic environment, characterized in the last decade by a severe financial and liquidity crisis that has hindered and penalized the willingness and ability of certain governments to finance their infrastructure projects, global infrastructure demand, particularly for complex and large-scale projects, has increased and encouraged consolidation among engineering and construction firms, resulting in companies that are increasingly larger and more diversified, with specific skills for executing more technologically complex and higher value-added projects, and thus better able to compete with the Group.

In addition, in recent years a growing number of competitors also based in developing countries have acquired the technical and financial capability to compete in markets previously characterized by a limited number of market participants. Many companies from Korea, China and India, for instance, have become major players in the international construction market. Due to the strengthening of international competitors, the construction industry has become an industry characterized by increasing competition. Additional competitive pressure on the Group, also due to possible downturns in the markets in which the Group is engaged, could negatively affect its market share.

In order to successfully compete in this environment, the Group must rely on its track record, technical expertise, a solid financial structure and a sustained ability to attract and retain talented personnel, demonstrating its ability to react promptly to changes in the factors that affect competition in the sector.

Adverse macroeconomic conditions that negatively impact public works contracts or failure to maintain the Group's competitiveness could have a material adverse effect on its business, financial condition, results of operations or prospects.

The Group's concession agreements are subject to termination or amendment and the concession may be expropriated

According to the applicable laws and administrative regulations in the countries in which the Group operates, the public entities granting the concessions may unilaterally terminate, early terminate or amend the relevant agreement (as well as contracts for public works) in the public interest. Although the exercise of these powers generally involves the reimbursement of damages, costs and loss of profits, the Group may not receive sufficient compensation.

If such a governmental authority or grantor exercises its rights of material amendment, termination or recovery over any concessions, the Group, proportionally to its equity participation in each concessionaire special purpose vehicle, will generally be entitled to an indemnification contemplated by law or in the concession contract, which, in principle, would cover the estimated lost profit during the remaining term of the concession contract. Any of these unilateral actions, under extreme circumstances, could be adopted by a governmental authority with or without paying the Group any compensation. However, such indemnification would be assigned preferentially to the lenders financing the relevant project and, therefore, there can be no assurance that such amount would allow the Group to recover its investment.

In addition, the grantor may terminate a concession in the event of a serious breach of the concessionaire's contractual obligations, in which case the concessionaire would only be entitled to recover a limited part of its investment.

Furthermore, the concessionaire may not be entitled to withdraw from the concession in case of failure to obtain the relevant financing, to the extent that its shareholders do not intend to finance the works with full equity. Any such failure to obtain the private funds necessary for the completion of the works would represent an event of termination of the concession due to a breach by the concessionaire and would entitle the grantor to enforce the guarantees provided. Until such termination, the Group would remain responsible for its equity commitments and any costs borne would not be recoverable.

The occurrence of any of these events would have a material adverse effect on the Group's business, financial condition and results of operations or prospects.

The Group's concession projects have significant investment requirements and depend upon obtaining adequate financing for future projects

The Group's concession projects typically have a medium-to long-term time horizon and have required, and require, significant investments, both in the form of shareholder loans and capital injections into special-purpose vehicles (where the Group holds a minority interest and therefore cannot control the flow of dividends or other distributions therefrom) and used as concessionaire exclusively in the context of specific contracts.

Any recovery of the Group's investments will occur over a substantial period of time. Moreover, the Group may be unable to recover its investments in these projects due to, for example, delays and cost overruns.

The Group's business strategy includes the development and financing of numerous projects in the industries in which it operates. The Issuer cannot ensure that market conditions will favour the Group's obtaining the necessary financing. Disruptions, uncertainty and volatility in capital and credit markets may limit the Group's access to additional capital required to operate its business, including its access to project finance, which it uses to fund construction of current and future concession projects.

Such market conditions may limit the Group's ability to replace, in a timely manner, maturing liabilities and access the capital necessary to grow its business, which could have an adverse effect on its business, financial condition, results of operations or prospects.

Risks associated with fluctuations in the price and problems with the supply of raw materials

The Group's raw materials suppliers vary in each market in which the Group operates due to the specific requirements of each of its markets and projects. Although the Group includes raw material cost estimates in its tender offers, raw material costs are subject to price fluctuations which may also reduce the availability of such raw materials in the market. The pandemic situation linked to COVID-19 and subsequently the increased demand due to the restart of the global economy, as well as the Russia-Ukraine and Middle Est conflicts caused a significant increase in raw materials' costs. See also "*Risk Factors – Risks relating to the impact of current macro-economic conditions*".

Although, the possibility of passing any or all of the increased raw material costs to the Group's customers is not always contractually provided for, and even when provided, it could be limited by certain deductibles or exclusions.

In addition, the supply of essential raw materials may be delayed or interrupted due to factors beyond the Group's control, which could result in project delays and increased costs if alternative suppliers are unable to provide replacement raw materials at competitive prices or at all. For the year ended 31 December 2024, the purchase costs of raw materials and consumables represented 18.6% of the Group's total operating costs.

Such price fluctuations or supply interruptions could have a material adverse effect on the Group's business, financial condition and results of operations.

Risks associated with the variability of oil prices

Some of the Group's activities are related to the oil and gas industry. In addition, part of the construction backlog is located in countries whose economies are currently reliant on oil sector. Low oil prices may affect customer demand for engineering and constructions services (engineering, procurement, project management, construction and installation). The impact on the individual contractors in a prolonged low oil prices market environment cannot be accurately quantified. However, it may be assumed that in such an environment there would be (i) reduction in the amount of investments and a subsequent decline in the number of projects developed, with a consequent drop in the visible market for contractors,(ii) customer consolidation, (iii) consolidation among contractors, (iv) economic and financial difficulties for operators with no distinctive success factors, and (v) an increase in competition among contractors Some of these trends could result in a more competitive environment, while others would lead to an improvement of market conditions for the Group.

The occurrence of any of these events would have a material adverse effect on the Group's business, financial condition and results of operations or prospects.

Risks deriving from the concentration of the Group's activities on a limited number of customers and projects

The Group's strategy is focused on securing large projects. This has led to a concentration of activities on a small number of customers and projects, which is customary in the industry in which the Group operates. For the year ended 31 December 2024, 47% of the Group's adjusted revenue was generated by its top ten projects (47% for the year ended at 31 December 2023).

The high concentration of activities on a limited number of customers and projects means that any loss of, or a significant reduction in business from a significant customer, or any variation, suspension, delay, scope reduction or adjustment of any significant project, could have a material adverse effect on the Group's business, financial condition or results of operations.

Risks associated with systems and information technology interruption and breaches in data security

As a global company, the Issuer is heavily reliant on computer, information and communications technology and related systems, which may be subject to temporary system interruptions and delays. If the Group is unable to continually implement, improve and add software and hardware, effectively upgrade its systems and network infrastructure and take other steps to improve the efficiency of and protect its systems, systems operation could be interrupted or delayed or the Group's data security could be breached. For example, in Italy, the Issuer's corporate functions are handled by the two operating offices in Milan and Rome, and the systematic and timely sharing of information flows through the information systems, as well as access to and updating of the Issuer's archives and databases, is essential in order to guarantee functional and operational continuity. In addition, the data supporting the Group's business and corporate activities need to be effectively protected, both from unauthorized access (confidentiality) and from unauthorized changes (integrity) and be made constantly available (availability). Failure to meet any of the above requirements may lead to the interruption of operations, loss of competitive advantage, vulnerability to fraud or reputational damage.

The Group's computer and communications systems and operations could also be damaged or interrupted by natural disasters, power loss, telecommunications failures, acts of war or terrorism, acts of God, computer viruses, physical or electronic break-ins and similar events or disruptions including breaches by computer hackers and cyber-terrorists.

Any of these or other unpredictable events could cause system interruption, delays, loss of critical data (including private data) or loss of funds, could delay or prevent operations (including the processing of financial transactions and reporting of financial results), could result in the unintentional disclosure of information (including proprietary intellectual property), could lead to illegitimate requests for money by third parties in exchange for such third parties not disclosing information at the disposal of the Group following breaches by hackers and could adversely affect the Group's business, financial condition, results of operations or prospects.

Public opposition related to certain projects, including "not in my backyard" claims, could prevent the Group from completing such projects

Local residents and/or associations may oppose and dispute the realisation of large infrastructure and/or transportation improvement schemes (including, without limitation, new roads, railways, power plants, bridges, motorways).

The reasons against the development of these projects are varied and may include environmental and noise pollution, additional costs to be borne by the local residents, the loss of residential property value or the related expropriation risk, the impact on people living on site or the disfigurement of the surrounding landscape. For example, in Italy, the execution of works relating to certain high-speed railway projects has met, and currently meets, opposition from political parties, local communities and environmental associations, with slowdowns in the development of projects. See "*Risk Factors – Risk Factors relating to the Issuer's business activities and industry – The Group may be unable to meet contractual milestones and qualitative or quantitative benchmarks*" and "*Events beyond the Group's control, errors and unforeseen events or circumstances may affect the estimated timing and costs*".

Protests or claims against the Group by local residents or associations acting on their behalf, either during the planning activity or during the construction phase, may result in delays or cause works paralysis which may last for a long time. These circumstances may affect the agreed timeline for the works completion and involve significant cost overruns. Moreover, such events may also cause adverse publicity and reputational harm to the Issuer and the Group. Although it is the responsibility of the customers to decide on the execution of a project, it cannot be excluded that local communities or national or international organizations may cause the Group to bear the costs, damages and charges for alleged violations of the rights of such communities or organizations. Any such event could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

4. Risks associated with legal proceedings

The Group is currently involved in certain civil, administrative, labour, tax and criminal legal disputes and arbitration proceedings, in the ordinary course of business.

The Group's estimates are based on information available and are subject to inherent uncertainties. In many cases, there is substantial uncertainty regarding the outcomes of the proceedings and the amount of any possible losses. These cases include proceedings for which the amount of any claims for compensation and/or potential liabilities that the Group is responsible for are not and cannot be determined based on the claims presented and/or the nature of the actual proceedings. In such cases, given the significant difficulty of predicting possible outcomes in a reliable manner, no provisions have been made. Where it is possible to make a reliable estimate of the amount of any loss and this is considered probable, provisions are made in the financial statements to an extent deemed appropriate, also with the support of specific opinions provided by the Group's consultants and in accordance with the international accounting standards applicable from time to time.

In addition, any unfavourable outcomes of disputes in which the Group is involved - particularly those with a high media impact - or the commencement of new disputes (regardless of the outcome), could have repercussions, even material, on the Group's reputation and on the market price of the Issuer's shares, with potential material adverse effects on the Group's business, financial condition and results of operations or prospects.

Despite the estimates the Group made, it cannot be excluded that several risks considered remote or possible by the Group may become probable and result in adjustments to the value of the provisions for risks, or that, in the event of loss in litigation for which the relevant provisions for risks were deemed adequate, the Group is required to incur disbursements in excess of the amount allocated.

The above circumstances, in the event of any significant claim or compensation the Group may be required to pay, may have a material adverse effect on its business, financial position and results of operations or prospects.

For more information on the Group's legal proceedings, see "*Description of the Issuer – Litigation and Arbitration Proceedings*".

5. Risks related to the forthcoming tax reform of financial incomes

The Enabling Law 9/8/2023 nr. 111 delegated power to the Italian Government to enact, within twenty-four months from approval, one or more legislative decrees envisaging the reform of the Italian tax system. According to such Law, the tax reform would significantly change the taxation of financial income and capital gains and introduce various amendments in the Italian tax system at different levels. The precise nature, extent, and impact of these amendments cannot be quantified or foreseen with certainty at this stage. The information provided in this Offering Circular may not reflect the future tax landscape accurately.

Investors should be aware that the amendments introduced to the tax regime of financial incomes and capital gains may increase the taxation on the interest, similar income and/or capital gains accrued or realised under the Notes and could result in a lower return of their investment.

Prospective investors should consult their own tax advisors regarding the tax consequences described above.

6. Further legal and regulatory risks

The Group is subject to extensive legal, administrative and regulatory requirements and to changes in regulation

In each of the jurisdictions in which the Group operates, it is subject to a number of specific and demanding legal, administrative and regulatory requirements, in particular with respect to public works, construction, town planning, public health, work safety, environment and employment. Furthermore, public sector customers may be subject to more stringent regulations than those in the private sector, in particular with respect to awarding new projects.

Violations of the relevant applicable laws or the interpretation thereof may significantly increase the cost of ongoing projects and subject the Group to investigations, criminal prosecutions (including proceedings pursuant to Decree 231, as described below), penalties, sanctions, fines, or other unforeseen costs. If violations occur during the construction phase of a contract, the Group may be subject to proceedings by the competent authorities and the construction and completion of works may be delayed. See "*Risk Factors – Risk Factors relating to the Issuer's business activities and industry – The Group may be unable to meet contractual milestones and qualitative or quantitative benchmarks*" and "*Events beyond the Group's control, errors and unforeseen events or circumstances may affect the estimated timing and costs*". Failure to meet contractual milestones and qualitative or quantitative benchmarks could harm the Group's results of operations and its reputation. In addition, if the violation results in serious damage to employees, subcontractors, the public or the environment, the Group could also be exposed to claims for damages for large sums and significant reputational damage.

For example, as part of the activities relating to the disposal of solid urban waste in Campania, which the Group has undertaken since the end of the 1990s, the Group successfully faced administrative measures concerning the reclamation and safety of the sites of certain landfills, storage areas and plants for the production of fuel deriving from waste. The Group is currently subject to some related proceedings and in the event of an unsuccessful outcome, it may be required to pay considerable sums to comply with the requirements imposed by the relevant authorities

National and supranational laws that the Group is required to comply with are often elaborate, fragmented, and subject to change and their application and interpretation is often complex and unpredictable. This circumstance, in addition to requiring the constant updating of the Group competent internal functions' knowledge and monitoring costs, including with the assistance of legal consultants, increases compliance costs as well as the risk of violations.

The occurrence of any of these events would have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

If an individual within the Group, or a third party acting on behalf of any Group entity, commits certain crimes, the Issuer or that Group entity may be subject to quasi-criminal liability and may face the application of sanctions

As of the date of this Offering Circular, the Group is involved in proceedings pursuant to Decree 231. In particular, these proceedings concern the alleged commission of administrative offences by Cossi Costruzioni S.p.A. For more information on such proceedings see "Description of the Issuer – *Litigation and Arbitration Proceedings – Criminal litigation*". The Issuer cannot exclude that, as of the date of this Offering Circular, additional proceedings have been or will be initiated for significant offences pursuant to Decree 231 against one or more of the companies of the Group.

Under Decree 231 Italian corporate entities may be held responsible for certain crimes committed by individuals having a functional relationship with the Group companies, such as employees, directors and representatives. In particular, crimes which could cause a corporate entity's administrative liability pursuant to Decree 231 include, among others, those committed when dealing with public administrations (including bribery, misappropriation of public contributions and fraud to the detriment of the state, corporate crimes, environmental crimes and crimes of manslaughter or serious injury in violation of provisions on health and safety at workplace).

In the event of liability, the company concerned is exposed to the risk of financial penalties and disqualifications, including the prohibition to contract with the public administration or the foreclosure of access to public funds. The liability regime to which the Issuer and its Italian subsidiaries are subject may lead to an increase in compensation in the event of environmental damage or extensive damage to third-party property or in the event of serious personal injury or death of a Group employee, subcontractor or third party. Such accidents could expose the Group and its key personnel to claims for compensation in addition to the penalties provided for under Decree 231, at the request of customers, subcontractors, governments, public authorities, employees or stakeholders. Proceedings relating to alleged offences, even if the absence of liability by the Group entities concerned is ultimately ascertained, may be characterized by burdensome management and may divert the Issuer's attention from other aspects of the business. In addition to the above, such events (even without a final decision) could cause a negative image return which, whether justified or not, could damage the reputation of the Group and induce customers to choose the services provided by competitors, also as a result of any public pressure.

Decree 231 also provides that the entity may be exempted from liability if it demonstrates that it has adopted and effectively implemented an organizational, management and control model suitable for preventing the commission of the offences in question. As of the date of this Offering Circular, the Issuer and its main Italian subsidiaries have adopted a 231 Model in order to establish a system of rules to prevent the adoption of unlawful conduct considered relevant to the application of the applicable laws in relation thereto. With reference to the foreign companies of the Group, since the offences provided for in Decree 231 cannot be applied directly, the Issuer has adopted a process management and control procedures that reflect the provisions of its Model 231.

The adoption of a Model 231 does not prevent the application of sanctions under Decree 231 provided that, where the commission of a relevant offence is ascertained, the competent court will examine the Model 231 and the controls adopted by the Issuer and, should they be considered inadequate or ineffective, the Issuer would be exposed to incur in the risk of the above sanctions.

With regard to the activities carried out by the Group, the latter is exposed to the risk of initiating proceedings pursuant to Decree 231, regardless of the adoption, updating and implementation of Model 231 and the validity of any allegations. The payment of pecuniary or disqualifying sanctions against the company involved and/or criminal proceedings with potential custodial measures against key figures of the Group could have adverse effects, even substantial depending on the nature of the crime charged and the amount of the sanction, on its business, financial condition and results of operations or prospects.

The Group could be adversely affected by violations of anti-bribery laws applicable in the countries or territories where it conducts its business

The Issuer cannot exclude that, as of the date of this Offering Circular, proceedings have been or will be initiated for significant offences pursuant to anti-corruption against one or more of the companies of the Group.

The Group, its partners, agents, subcontractors and competitors must comply with certain anti-corruption laws, sanctions or other similar regulations. In particular, the Group's international operations are subject to anti-corruption laws and regulations, such as the U.S. Foreign Corrupt Practices Act of 1977 (the "FCPA"), the U.K. Bribery Act of 2010 (the "Bribery Act") and

French Law No. 2016-1691 (Sapin II) and economic sanction programs, including those administered by the United Nations, the European Union and the U.S. Office of Foreign Asset Control ("OFAC").

Over the years an increasing number of anti-bribery laws and regulations have been approved worldwide. However, certain of the jurisdictions in which the Group operates or intends to operate lack a developed legal system and, therefore, have high perceived levels of corruption. The lack of developed legal systems in these jurisdictions also makes it more difficult to determine the scope of their anti-corruption regimes and whether certain actions constitute violations or not. Moreover, the Group's continued expansion, development of joint venture relationships with local contractors and the use of local agents increases the risk of non-compliance with applicable anti-corruption regulations and similar laws.

As of the date of this Offering Circular, the Issuer and its main foreign subsidiaries and joint ventures have adopted an anti-corruption system in order to establish rules and procedures which are aimed at preventing the adoption of unlawful conduct considered relevant to the application of the anti-bribery laws. Since 2017, the Issuer's Anti-corruption system has been certified by an Authorized Certifier according to UNI ISO 37001:2016 "Anti-bribery management system". Should the models and procedures adopted by the Group (including the 231 Model) fail to protect the Group from the possible reckless or criminal acts committed by its employees, agents, partners, subcontractors or suppliers, the Group could face criminal or civil penalties or other sanctions, including fines, denial of export privileges, injunctions, asset seizures, debarment from government contracts and/or from World Bank financed contracts, termination of existing contracts, revocations or restrictions of licenses, criminal fines or imprisonment of key personnel. In addition, given that compliance with anti-corruption laws is a clause contained in the loan agreements entered into by the Group companies, failure to comply with anti-corruption laws could result in an event of default under certain of the Group's financing agreements. Such violations could also have an adverse effect on the Group's reputation and, consequently, on its ability to win future business.

The occurrence of any of these events would have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

The Group is exposed to a number of different tax uncertainties, which would have an impact on tax results

The Group is required to pay taxes in multiple jurisdictions, which include, among others, IRES, IRAP, VAT, registration tax and other indirect taxes and benefit from exemption from taxation on certain items of income. The Group determines the taxation it is required to pay based on its best interpretation of the applicable tax laws and regulations in the jurisdictions in which it operates.

Tax legislation is complex and is characterized by an application based on the interpretation of articulated provisions and on the subjective assessment of the cases. The tax authorities may therefore challenge the interpretation or positions taken or proposed by the Group with respect to the tax laws and rules applicable to the Group's ordinary and extraordinary transactions. With regard to specific transactions, the Group may also violate, unintentionally or for reasons beyond its control, laws or tax regulations.

Any disputes could have a negative impact on the position vis-à-vis the tax authorities and could lead to lengthy and costly tax disputes and the payment of high amounts in the form of taxes, penalties and interest on arrears. In addition, the applicable taxes, both direct and indirect, for which the Group makes specific provisions, could be subject to increases, even significant, as a result of any regulatory changes or following new interpretations by the competent authorities or, again, as a result of specific tax assessments. The impact of these factors depends on the types and mix of income produced in the different countries.

Deferred tax assets are recognised in accordance with accounting standards and relate to the (temporary) differences between statutory and tax regulations, as well as on the probability of generating future taxable income. The absence of future taxable income, which is not currently foreseeable, could lead to the reduction of the Group's deferred tax assets, with potential material negative effect on its business, financial position and results of operations or prospects. The Group may also incur unforeseen tax charges, with an unfavourable impact on its position. Due to the unpredictable nature of the tax burden, it is not possible to ensure that the income tax rate assumed by the Group in the long term remains at current levels, nor can the stability of cash flows relating to taxes be ensured.

Significant penalties or payment could have a material adverse effect on the Group's business, financial condition and results of operations or prospects.

For information on tax disputes, see "*Description of the Issuer – Litigation and Arbitration Proceedings – Tax disputes*".

Risks associated with transfer pricing rules

The existence of numerous contractual relationships between Group companies that are tax residents of different countries may result in the application by the tax authority of transfer pricing rules which require that all transactions with non-resident related parties be priced using arm's length pricing principles. The observance of the above principle for price determination is therefore influenced by parameters of judgement of an estimative nature, which by their nature are not certain and are therefore likely to give rise to valuations by the tax authorities that are not necessarily in line with those made by the Group.

Although the Issuer believes the Group operates in full compliance with national and international rules and principles on transfer pricing (generally referring to the guidelines drawn up by the OECD), since the relevant regulatory framework is complex and potentially subject to different interpretations by the tax authorities of the various countries, there can be no guarantee that the methods and conclusions the Group has reached are or will be compliant with those expressed by the tax authorities. For example, for the years 2011, 2012 and 2013, the Issuer received notices of assessment in connection with transfer pricing for amounts of less than €1 million, subsequently reduced in the context of the settlement of the relevant dispute.

The Issuer cannot exclude the risk that, in the event of assessments by the tax authorities, disputes arise regarding the appropriateness of the transfer prices applied in intra-group transactions between Group entities resident in different countries, which could lead to a different distribution of the tax burden among the entities involved in the individual transaction flow and the possible application of administrative sanctions, with potential material adverse effect on the Group's business, financial condition, results of operations or prospects.

The Group may be exposed to third-parties' claim and liabilities. The Group's insurance and indemnities may not adequately cover all risks or expenses

The Group is involved in projects that require constant monitoring and management of environmental, health and safety risks, both during the construction and the operational phases. The activities of the Group are also exposed to risks arising from defects or misuse of the equipment, from malfunctions, failures and natural disasters, which may compromise the full and efficient functioning of plants and machinery. The construction project and related activities the Group undertakes often put its employees and other subjects involved in the works in close proximity to large pieces of mechanized equipment and plants, moving vehicles, industrial processes and hazardous materials (regulated by applicable laws on health and safety in the workplace and environment), which require to be handled properly.

The foregoing factors may expose the Group to civil and criminal liabilities, product liability, property damage, pollution and other environmental damage and accordingly the Group may be involved in disputes and/or claims for damages arising from the subsequent management of its fleet. In some of the jurisdictions in which the Group conducts its operations, it could be subject to strict liability in matters relating to environmental issues and workers' compensation. In particular, any failure in health and safety practices or environmental risk management procedures that results in serious harm to employees, subcontractors, the public or the environment could expose the Group to investigations, prosecutions and/or civil litigation, each of which could result in costs for fines, penalties, sanctions, compensation of damages and significant demands of management time, including any potential liability under Decree 231. See also "*Risk Factors – Further legal and regulatory risks – If an individual within the Group, or a third party acting on behalf of any Group entity, commits certain crimes, the Issuer or that Group entity may be subject to quasi-criminal liability and may face the application of sanctions*".

The Group enters into insurance policies aimed at covering losses resulting from its activities. As customary, insurance policies are subject to limits and exclusions (including deductibles and caps) and, therefore, may not adequately cover all the risks to which the Group is exposed. In addition, entering into an insurance policy may be uneconomic or even impossible due to the unavailability of the insurance company. Losses exceeding the amount for which the Group is insured, as well as losses for which it is not compensated by its insurance companies, as not covered by the insurance policies the Group maintains, could lead to unexpected and material costs.

Furthermore, the Group's business involves professional judgements regarding the planning, design, development, construction, operations and management of infrastructure. Failure to make judgements and recommendations in accordance with applicable professional standards, including engineering or technical standards, could subject the Group to claims from third parties and customers. The occurrence of harmful events may also cause delays in production and/or an interruption of projects because of temporary site closures. The Group may also be held liable if such an event or circumstance is found to be caused by negligence. Such liability may be increased if the event it results in the personal injury or death of one or more of the Group's employees, employees of subcontractors working on the project or third parties, environmental harm, and/or extensive damage to third-party property.

Despite the Group's effort to manage these risks by including contractual limitations of liability and compensation while simultaneously insuring its employees and all its significant items of property, plant and equipment and although it has adopted a range of insurance, risk management and risk avoidance programs designed to reduce potential liabilities, a catastrophic event at one of the Group's project sites or completed projects resulting from the services the Group has performed could result in significant professional or product liability, warranty or other civil and criminal claims against it as well as reputational harm, especially if public safety is impacted. These liabilities could exceed the Group's insurance limits and could impact its ability to obtain insurance in the future. Furthermore, if a claim falls outside the scope of the coverage, the Group would be liable for covering the entirety of the relevant unreimbursed claim.

In addition, customers, partners, subcontractors or suppliers who have agreed to indemnify the Group against any such liabilities, third parties' claims or losses might refuse or be unable to make payments under such indemnities or might not take out adequate insurance coverage to fulfil their compensation obligations to the Group.

The Issuer believes that the operational risks referred to herein are deeply inherent in the activities the Group carries out. If the Group were to incur significant liability and the contractual limitations, compensation obligations or insurance coverages do not envisage or are not sufficient to cover the losses arising from these liabilities, or if the payment of compensation by the insurance company of the Group were delayed, such circumstances could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

The Group is required to obtain and maintain permits, licenses and authorizations

The Group is required to obtain, maintain and comply with certain required licenses, permits and authorizations for the construction, operation and maintenance of its projects. Procedures for obtaining licenses, permits and authorizations vary from country to country and they can be complex and require very lengthy approval procedures. Requests may be rejected by the relevant authorities for many reasons, or they may be approved, but with significant delays.

The process of obtaining permits can be further delayed or hindered by changes in national or other legislation or regulation or by opposition from communities in the areas affected by a project. See "*Risk Factors – Risk Factors relating to the Issuer's business activities and industry – Public opposition related to certain projects, including "not in my backyard" claims, could prevent the Group from completing such projects*". Moreover, certain operating or construction permits the Group has obtained could be contested or challenged by third parties, who may also intervene in relation to permits, licenses and authorizations already issued in favour of the Group. For example, during 2010 the Issuer entered into a concession agreement with Infrastrutture Lombarde S.p.A. for the design, construction and management of a new regional motorway section called "Broni-Mortara", which was challenged in July 2016 by the Italian Ministry of the Environment, which issued a measure containing a negative assessment of the environmental compatibility of the work, preventing the execution of the work as planned. See "*Description of the Issuer – Litigation and Arbitration Proceedings*".

Failure to obtain or renew required permits, licenses and authorizations, or any challenge relating to any license, permit or authorization could prevent the award of contracts, cause the early termination of existing contracts and the suspension of projects in progress, or lead to the imposition of sanctions or other measures relevant to the Group's operations, which could have a material adverse effect on its business, financial condition, results of operations or prospects.

The Group relies on intellectual property law and confidentiality agreements to protect its intellectual property

The Group' success depends, in part, on its ability to protect its proprietary information and other intellectual property. Its intellectual property could be challenged, invalidated, circumvented or rendered unenforceable. In addition, effective intellectual property protection may be limited or unavailable in some foreign countries where the Group operates. The Group relies on proprietary technology, confidential information, processes and know-how that are not subject to patent or copyright protection.

The Group seeks to protect this information through trade secret or confidentiality agreements with its employees, consultants, subcontractors or other parties, as well as through other security measures. These agreements and security measures may be inadequate to deter or prevent misappropriation of its confidential information. In the event of an infringement of its intellectual property rights, a breach of a confidentiality agreement or divulgence of proprietary information, the Group may not have adequate legal remedies to protect completely its intellectual property. Litigation to determine the scope of intellectual property rights, even if ultimately successful, could be costly and could divert management's attention away from other aspects of its business. In addition, its trade secrets may otherwise become known or be independently developed by competitors. Any of these events would have a material adverse effect on the Group, its business prospects, its financial condition and its results of operations.

Risks associated with compliance with data protection regulation

The entry into force, in May 2016, of the new European Regulation 2016/679 on data protection (General Data Protection Regulation, "GDPR") requested companies operating in the European Union to review their data protection management model in order to comply with the requirements set forth by GDPR. GDPR has introduced significant changes in the measures and procedures to be adopted to ensure the protection of personal data (including an effective privacy organizational model, the role of data protection officer, obligations to notify particular data breaches), thus increasing the level of protection of individuals and introducing, among other things, more significant sanctions applicable to data controllers and processors in the event of a breach of the GDPR provisions. The Issuer nominated a Data Protection Officer to monitor Group compliance with GDPR.

The Group is exposed to the risk of being involved in claims brought by individuals whose data have been processed, for damages caused by (i) the breach of rules relating to data protection or (ii) incorrect processing of such protected data. Failure to comply or maintain compliance with GDPR rules or to adapt the Group's risk management structure to comply with GDPR prescriptions could cause considerable damage to the Issuer and its reputation and may result in regulatory fines and litigation, which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

7. Internal control risks

Risk associated with maintenance and adequate development of appropriate risk management, compliance and internal control systems

The Group's risk management system is designed to assist with the assessment, avoidance and reduction of risks which jeopardize its business. The Group's operating risks primarily include the selection and assessment of contracts as well as the execution of projects and the performance of contracts. There are, however, inherent limitations on the effectiveness of any risk management system. These limitations include the possibility of human error and the circumvention or overriding of the system. Accordingly, any such system can provide only reasonable assurances, and not absolute assurances, of achieving the desired objectives. For example, risks include possible instances of manipulation, acceptance or giving of advantages, fraud, deception, corruption or other infringements of the law.

There can be no absolute assurance that violations of internal policies and procedures, applicable law and regulations or criminal acts by employees or third parties retained by the Group such as subcontractors or consultants and their employees can be entirely prevented. Such circumstances could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

8. Environmental, social and governance risks

Risks associated with the loss of certain key persons within the Group

The Group's results and the success of its business depend to a significant extent on its ability to attract and retain professional resources with considerable experience in the sectors of activity in which the Group operates. As of 31 December 2024, 83% of the Group's workforce, excluding indirect personnel (employees of subcontractors, temporary agencies and other service providers employed on Group projects), was represented by employees belonging to technical and production functions. Any inability to attract and hire new qualified personnel, or to retain experienced technical personnel and managers, could limit or delay the business development efforts.

The continuous expansion of the Group into new geographical areas and sectors of activity that require additional knowledge causes the necessity to hire managerial and technical staff, including local staff, with diversified skills. Moreover, during market expansion phases, the Group could suffer delays in finding qualified personnel due to a higher demand for specialized resources, with possible negative impacts on the Group's results and reputation.

If certain key members of the Webuild Group's senior management team or key engineering and technical staff were to terminate their relationships with the Group for any reasons, there can be no assurance that the Group will be able to replace them in a timely manner with equally qualified persons capable of ensuring the same operational and professional contribution in the short term. These events and any inability to attract and hire new qualified personnel, may limit and/or cause delays in the commercial developments, with possible material adverse effect on the Group's business, financial condition, results of operations or prospects.

Risks associated with related parties' transactions

During the last financial year, the Group has entered into, and as of the date of this Offering Circular continues to enter into, business, financial and administrative transactions with certain of its related parties.

Transactions with related parties entail the typical risks associated with transactions with parties that, being part of the Group's decision-making structures or otherwise closely connected to them, may not be objective or impartial in their decisions relating to these transactions. It cannot be guaranteed that if such transactions had been concluded between or with unrelated third parties, such third parties would have negotiated and executed such agreements, or concluded the transactions, on the same conditions and in the same manner. Related-party transactions could result in inefficiencies in the resource allocation process, expose the Group to risks that are not adequately measured or monitored, and cause damage to the Group and its stakeholders.

The occurrence of any of these events would have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

Climate change and compliance with ESG policies may have an impact on the Group's business.

Climate change and ESG policies represent a material risk with possibly more limited effects over the short term, however potentially catastrophic over the long term. Associated with this risk is a high degree of uncertainty in accurately determining a time frame and magnitude of the impacts, especially at the local level. The Group is subject to the following risks associated with climate change and compliance with ESG policies:

(i) the physical risk which indicates the financial impact of climate change, including more frequent extreme weather events and gradual changes in climate, as well as environmental degradation, i.e., air, water and soil pollution, water stress, biodiversity loss and deforestation. Such risk can result directly, for example, in material damage of assets or a decline in productivity, or indirectly in subsequent events such as disruption of production chains;

(ii) the transition risk which means the higher costs or loss of opportunities that a company may incur, directly or indirectly, as a result of the adjustment process to a low-carbon and more environmentally sustainable economy. This could be caused, for example, by the relatively sudden adoption of ESG, climate and environmental policies, technological progress, or changing market confidence and preferences which may have an adverse impact on the capacity of the group to be adjudicated new contracts or to receive financing.

Any of the foregoing may affect the Group's reputation and have negative effects on its business, financial condition and results of operations.

FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH THE NOTES

1. Risk relating to the specific characteristics of the Notes

The claims of Noteholders are structurally subordinated with respect to the Issuer's subsidiaries

The operations of the Group are principally conducted through subsidiaries of the Issuer. Noteholders will not have a claim against any subsidiaries of the Issuer. The claims of creditors of any of the Issuer's subsidiaries will have priority to the assets and earnings of such subsidiary over the claims of creditors of the Issuer (whether such creditors are secured or unsecured). The obligations under the Notes will be "structurally" subordinated to the claims of creditors of the Issuer's subsidiaries, meaning that in the event of a bankruptcy, liquidation, reorganisation or similar proceedings relating to our subsidiaries, holders of their debt and their trade creditors will generally be entitled to payment of their claims from the assets of such subsidiaries before any assets are made available for distribution to the Noteholders.

2. Risks relating to Italian taxation, changes in law or administrative practice and modification of the Terms and Conditions of the Notes

Payments in respect of the Notes may in certain circumstances be made subject to withholding or deduction of tax

All payments in respect of Notes will be made free and clear of withholding or deduction of Italian taxation, unless the withholding or deduction is required by law. In that event, the Issuer will pay such additional amounts as will result in the Noteholders receiving such amounts as they would have received in respect of such Notes had no such withholding or deduction been required. The Issuer's obligation to gross up is, however, subject to a number of exceptions, including withholding or deduction of *imposta sostitutiva* (Italian substitute tax), pursuant to Italian Legislative Decree No. 239 of 1 April 1996, a brief description of which is set out below.

Prospective purchasers of Notes should consult their tax advisers as to the overall tax consequences of acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes, including in particular the effect of any state, regional or local tax laws of any country or territory. See also the section headed "Taxation" below.

Imposta sostitutiva

Imposta sostitutiva (*Italian substitute tax*) is applied to payments of interest and other income (including the difference between the redemption amount and the issue price) at a rate of 26 per cent. to (i) certain Italian resident Noteholders and (ii) non-Italian resident Noteholders who have not filed in due time with the relevant depository a declaration (*autocertificazione*) stating, *inter alia*, that it is resident for tax purposes in a country which allows for an adequate exchange of information with the Italian tax authorities.

Change of law or administrative practice

The terms and conditions of the Notes are based on English law in effect as at the date of this Offering Circular, save that, due to the fact that the Issuer is incorporated in Italy, provisions convening meetings of Noteholders and the appointment of a Noteholders' Representative are subject to compliance with mandatory provisions of Italian law. As such, the conditions of the Notes may be affected by changes to both English and Italian law, and no assurance can be given as to the impact of any possible judicial decision or change to English law and/or Italian law (where applicable) or administrative practice after the date of this Offering Circular.

3. Risks related to the market as a whole

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

There is no active trading market for the Notes and one may never develop

The Notes are new securities which may not be widely distributed and for which there is currently no active trading market. If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer and the Group. Although application has been made to Euronext Dublin for the Notes to be admitted to the Official List and trading on its regulated market, there is no assurance that such application will be accepted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for the Notes.

PRESENTATION OF FINANCIAL AND CERTAIN OTHER INFORMATION

The consolidated financial statements of the Issuer as of and for the years ended, respectively, 31 December 2023 and 31 December 2024 incorporated by reference in this Offering Circular have been prepared in accordance with International Financial Reporting Standards as endorsed by the European Union ("**IFRS**"). These audited consolidated financial statements are referred to in this Offering Circular as, respectively, the "**2023 Audited Consolidated Financial Statements"** and the **"2024 Audited Consolidated Financial Statements"**.

Financial data included in this Offering Circular has been derived from the 2023 Audited Consolidated Financial Statements or the 2024 Audited Consolidated Financial Statements.

Alternative Performance Measures

In order better to evaluate the Webuild Group's financial management performance, management has identified Alternative Performance Measures (each an "**APM**"). The Issuer believes that these APMs provide useful information for investors as regards the financial position, cash flows and financial performance of the same, because they facilitate the identification of significant operating trends and financial parameters. This Offering Circular contains the following alternative performance measures as defined by the European Securities and Markets Authority's Guidelines on Alternative Performance Measures (ESMA/2015/1415), which are used by the management of the Issuer to monitor its financial and operating performance:

– **Gross Indebtedness**: shows the sum of (i) bank and other loans and borrowings; (ii) bonds; lease liabilities; (iv) current portion of bank loans and borrowings and current account facilities; (v) current portion of bonds; (vi) current portion of lease liabilities; and (iii) net financial position (where negative) of unconsolidated special purpose entities ("**SPEs**").

– **Gross operating profit (EBITDA)**: shows the sum of total revenue and total costs, less amortisation, depreciation, impairment losses and provisions or, alternatively, the sum of (i) Profit (loss) for the period; (ii) (Profit) loss from discontinuing operations; (iii) Income Tax; (iv) Net (gains) losses on equity investments; (v) Net Financial (income) expenses; (vi) Net exchange (gains) losses; (vii) Amortisation, depreciation and provisions and (viii) Impairment losses

  Net financial indebtedness - continuing operations: is the sum of (i) Non-current financial assets, (ii) Current financial assets, (iii) Cash and cash equivalents, (iv) Bank and other loans and borrowings, (v) Bonds, (vi) Lease liabilities, (vii) Current portion of bank loans and borrowings and current account facilities, (viii) Current portion of bonds, (ix) Current portion of lease liabilities, (x) Derivative assets, (xi) Derivative liabilities and (xii) Net financial position (debt) with unconsolidated SPEs.

  Net financial indebtedness including discontinued operations: is the sum of Net financial indebtedness - continuing operations and Net financial position - discontinued operations.

– **Operating profit (EBIT)**: shows the sum of total revenue and total costs or, alternatively, the sum of (i) Profit (loss) for the period; (ii) (Profit) loss from discontinuing operations; (iii) Income Tax; (iv) Net (gains) losses on equity investments; (v) Net Financial (income) expenses; (vi) Net exchange (gains) losses.

  It should be noted that:

  (i) the APMs are based exclusively on Webuild Group historical data and are not indicative of future performance;

(ii) the APMs are not derived from IFRS and, as they are derived from the consolidated financial statements of the Webuild Group prepared in conformity with these principles, they are not subject to audit;

(iii) the APMs are non-IFRS financial measures and are not recognised as a measure of performance or liquidity under IFRS and should not be recognised as alternative to performance measure derived in accordance with IFRS or any other generally accepted accounting principles;

(iv) the APMs should be read together with financial information for the Webuild Group taken from the consolidated financial statements; and

(v) the APMs and definitions used herein are consistent and standardised for all the period for which financial information in this Offering Circular are included.

Adjusted financial information

In accordance with IFRS, joint ventures which the Group does not control are not consolidated on a line by line basis in the Group's financial statements, but the relevant impact is included using the equity method. The Group monitors the key figures of Lane group for management purposes by adjusting the IFRS figures prepared for consolidation purposes to present the result of joint ventures not controlled by Lane as if they were consolidated on a proportionate basis. These adjusted figures are obtained by adding to the revenues of Webuild Group the pro-quota share of revenues of the joint ventures not controlled by Lane (the "**Adjusted Revenues**") and by adding to the EBITDA of Webuild Group the pro-quota share of profits and losses of the joint ventures not controlled by Lane (the "**Adjusted EBITDA**"). For the year 2023 Adjusted Revenues and Adjusted EBITDA have been furtherly adjusted for the accounting effects arising from the PPA procedures for the acquisition of control of Clough group.

INFORMATION INCORPORATED BY REFERENCE

The following information has been filed with Euronext Dublin and shall be deemed to be incorporated in, and to form part of, this Offering Circular:

(a) the Issuer's 2023 Audited Consolidated Financial Statements; and

(b) the Issuer's 2024 Audited Consolidated Financial Statements (collectively, the "**Documents Incorporated by Reference**").

Copies of the Documents Incorporated by Reference will be available, without charge, on the website of the Issuer as set out below:

(i) https://media.webuildgroup.com/sites/default/files/2024- 04/2023%20Annual%20Report.pdf as to the Issuer's 2023 Annual Consolidated Financial Statements;

(ii) https://media.webuildgroup.com/sites/default/files/2025-04/2024%20Annual%20Report.pdf as to the Issuer's 2024 Annual Consolidated Financial Statements; and

Cross-reference lists

The following table shows where the information incorporated by reference in this Offering Circular can be found in the above-mentioned documents.

Consolidated financial statements as at and for the year ended 31 December 2024	
Information	**Page(s)**
Statement of financial position	298-299
Statement of profit or loss	300
Statement of comprehensive income	301
Statement of cash flows	302-303
Statement of changes in equity	304
Notes to the consolidated financial statements	305-390
Independent Auditors' Report	514-521
Consolidated financial statements as at and for the year ended 31 December 2023	
Information	**Page(s)**
Statement of financial position	255-256
Statement of profit or loss	257
Statement of comprehensive income	258
Statement of cash flows	259-260

The Documents Incorporated by Reference have been previously published or are published simultaneously with this Offering Circular and have been filed with Euronext Dublin. The Documents Incorporated by Reference shall be incorporated in, and form part of, this Offering Circular, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Offering Circular. Any information contained in any of the documents specified above, including any documents incorporated by reference therein, which is not incorporated by reference in this Offering Circular is either not relevant to investors or is covered elsewhere in this Offering Circular. Any documents themselves incorporated by reference in the documents incorporated by reference in this Offering Circular shall not form part of this Offering Circular.

Any websites referred to in this Offering Circular are for information purposes only and do not form part of this Offering Circular.

OVERVIEW OF FINANCIAL INFORMATION

Set out below is an overview of certain financial information of the Issuer derived from the Issuer's 2023 Audited Consolidated Financial Statements and the 2024 Audited Consolidated Financial Statements Statements which are incorporated by reference in this Offering Circular.

The financial information reported below should be read in conjunction with the information set forth in sections "*Presentation of Financial and Certain other Information – Alternative Performance Measures*", "*Presentation of Financial and Certain other Information*" and "*Information Incorporated by Reference*".

The following table set forth the Net Financial Indebtedness of Webuild Group as at 31 December 2024 and 31 December 2023 derived from the 2024 Audited Consolidated Financial Statements and from the 2023 Audited Consolidated Financial Statements.

€/000	**31 December 2024**	**31 December 2023**
Non-current financial assets	304,284	360,198
Current financial assets	865,385	615,006
Cash and cash equivalents	3,214,830	3,060,541
Total cash and cash equivalents and other financial assets	**4,384,499**	**4,035,745**
Bank and other loans and borrowings	(137,824)	(139,857)
Bonds	(1,892,200)	(1,600,074)
Lease liabilities	(111,462)	(82,037)
Total non-current indebtedness	**(2,141,486)**	**(1,821,968)**
Current portion of bank loans and borrowings and current account facilities	(486,107)	(413,981)
Current portion of bonds	(218,691)	(306,465)
Current portion of lease liabilities	(94,129)	(66,219)
Total current indebtedness	**(798,927)**	**(786,665)**
Derivative assets	-	1,203
Derivative liabilities	(4,236)	
Net financial position (debt) with unconsolidated SPEs	4,781	2,415
Total other financial assets (liabilities)	**545**	**3,618**
Net Financial Indebtedness - continuing operations	**1,444,631**	**1,430,730**
Net financial position - discontinued operations	7,658	2,681
Net Financial Indebtedness including discontinued operations	**1,452,289**	**1,433,411**

The following table set forth revenues and other income, EBITDA and EBIT of Webuild Group for the year ended 31 December 2024 and 31 December 2023 derived from the 2024 Audited Consolidated Financial Statements and from the 2023 Audited Consolidated Financial Statements.

	Year ended 31 December 2024	**Year ended 31 December 2023**
€/000		
Total revenues and other income	**11,790,489**	**9,951,255**
EBITDA	**983,484**	**863,854**
EBITDA %	*8.3%*	*8.7%*
EBIT	**522,587**	**450,640**
EBIT %	*4.4%*	*4.5%*

The following table presents the reconciliation of EBITDA and EBIT to Profit (loss) for the periods indicated above.

€/000	**Year ended 31 December 2024**	**Year ended 31 December 2023**
Profit (loss) for the period	205,390	128,386
(Profit) loss from discontinuing operations	(5,856)	10,071
Income Tax	162,608	125,090
Net (gains) losses on equity investments	48,834	95,326
Net Financial (income) expenses	114,787	125,407
Net exchange (gains) losses	(3,176)	(33,640)
EBIT	**522,587**	**450,640**
Amortisation, depreciation and provisions	407,594	401,262
Impairment losses	53,303	11,952
EBITDA	**983,484**	**863,854**

For the year ended 31 December 2024, based on management's view, the Group generated €11,957.8 million of Adjusted Revenues, €966,9 million of Adjusted EBITDA and it had Net Financial Indebtedness including discontinued operations of €1,452.3 million as of December 2024.

CAPITALISATION

The following table sets forth the Issuer's consolidated cash and cash equivalents, current and non-current financial liabilities, total shareholders' equity and total capitalization as of 31 December 2024 on an actual basis, without giving effect to (i) the net proceeds of the issue of the Notes, expected to amount to €445,950,000 after deduction of the commission, or (ii) the use of proceeds therefrom. The historical consolidated financial information has been derived from the Issuer's 2024 Audited Consolidated Financial Statements.

Prospective investors should read this table in conjunction with the section entitled "*Estimated Net Amount and Use of Proceeds*", and the Issuer's 2024 Audited Consolidated Financial Statements.

	As of 31 December 2024
	(in €thousands)
Cash and cash equivalents	**3,214,830**
Total current indebtedness (A)	798,927
Total non – current indebtedness (B)	2,141,486
Total indebtedness (A+B)	**2,940,413**
Share capital	600,000
Share premium reserve	367,763
Other reserves	149,501
Other comprehensive expense	(77,690)
Profit for the period/year	194,477
Retained earnings	479,364
Equity attributable to the owners of the parent (C)	**1,713,415**
Non-controlling interests(D)	235,927
Total Equity (C+D)	**1,949,342**
Total Capitalisation (A+B+C+D)	**4,889,755**

TERMS AND CONDITIONS OF THE NOTES

The €450,000,000 4.125 per cent. Notes due 3 July 2031 (the "**Notes**", which expression includes any further notes issued pursuant to Condition 16 (*Further issues*) and forming a single series therewith) of Webuild S.p.A. (the "**Issuer**") are issued on 3 July 2025 (the "**Issue Date**") and are subject to, and have the benefit of, a trust deed dated 3 July 2025 (as amended or supplemented from time to time, the "**Trust Deed**") between the Issuer and BNY Mellon Corporate Trustee Services Limited (the "**Trustee**" which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the holders of the Notes (the "**Noteholders**" and the holders of the interest coupons appertaining to the Notes (the "**Couponholders**" and the "**Coupons**", respectively). The issue of the Notes was authorised by the resolutions of the board of directors of the Issuer passed on 20 June 2025 and was executed by a resolution (*determina*) of the managing director of the Issuer dated 24 June 2025 pursuant to the powers delegated to the managing director by the aforementioned resolutions of the board of directors. These terms and conditions (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Notes and the Coupons. Copies of the Trust Deed, and of the Paying Agency Agreement (the "**Paying Agency Agreement**") dated the Issue Date relating to the Notes between the Issuer, the Trustee and the initial principal paying agent and the other paying agents named in it, are available for inspection by Noteholders:

(i) during usual business hours at the specified office of the Trustee (presently at 160 Queen Victoria Street, London EC4V 4LA, United Kingdom) and at the specified offices of the principal paying agent for the time being (the "**Principal Paying Agent**") and the other paying agents for the time being (the "**Paying Agents**", which expression shall include the Principal Paying Agent) and

(ii) electronically on request to the Trustee or any of the Paying Agents. The Noteholders and the Couponholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Paying Agency Agreement.

1. Definitions and interpretation

(a) **Definitions:** In these Conditions:

"Accounting Principles" means generally accepted accounting principles in Italy, including IFRS.

"Acting in Concert" means a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, either Directly or Indirectly, through the acquisition of shares in the Issuer by any of them, to obtain or strengthen its or their control over the Issuer.

"**Affiliate**" means, with respect to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person.

"**Approved Jurisdiction**" means any country where the Issuer and its Subsidiaries are (or will be) incorporated, or any agency, authority, central bank, department, committee, government, legislature, minister, ministry, official or public or statutory Person (whether autonomous or not) thereof.

"**Asset Sale**" means any lease (other than an operating lease entered into in the ordinary course of business), sale, issuance, sale and lease-back, transfer or other disposition either in one transaction or in a series of related transactions, by the Issuer or any of its Restricted Subsidiaries to a Person, of (a) any of the Issuer's or any Restricted

Subsidiary's properties or assets, or (b) the Capital Stock of any Restricted Subsidiary of the Issuer; provided that "Asset Sale" shall not include:

(i) sales or other dispositions of inventory or stock in trade in the ordinary course of business;

(ii) a disposition of assets between or among the Issuer and any of its Subsidiaries or among Subsidiaries of the Issuer;

(iii) any disposition pursuant to a contractual arrangement or other commitment existing at the Issue Date;

(iv) any disposition with respect to property built, owned or otherwise acquired by the Issuer or any of its Subsidiaries pursuant to customary sale and lease- back transactions, asset securitisations and other similar financings permitted by these Conditions;

(v) any sales, discounts or dispositions of receivables (a) on commercially reasonable terms in the ordinary course of business, (b) in any factoring or supply chain financing transaction or similar transaction in the ordinary course of business or (c) in connection with any Qualified Receivables Financing or Permitted Recourse Receivables Financing;

(vi) a disposition of obsolete, surplus or worn out assets that are no longer used or usable in the conduct of the Permitted Business;

(vii) any "fee in lieu" or other disposition of assets to any governmental authority or agency that continue in use by the Issuer or any Subsidiary, so long as the Issuer or any Subsidiary may obtain title to such assets upon reasonable notice by paying a nominal fee;

(viii) the sale, lease, sublease, assignment or other disposition of any real or personal property or any equipment, inventory, trading stock or other assets in the ordinary course of business, including, without limitation, pursuant to agreements entered into in the ordinary course of business;

(ix) any transfer, termination, unwinding or other disposition of hedging agreements in the ordinary course of business and not for speculative purposes;

(x) sales of assets received by the Issuer or any Subsidiary upon the foreclosure on a Security Interest granted in favour of the Issuer or any Subsidiary or any other transfer of title with respect to any secured investment in default;

(xi) the licensing, sub-licensing, lease, sublease, conveyance or assignment of intellectual property or other general intangibles and licenses, sub-licenses, leases, subleases, conveyances or assignments of other property, in each case, in the ordinary course of business;

(xii) the abandonment or disposition of patents, trademarks or other intellectual property that are, in the good faith opinion of the Issuer, no longer economically practicable to maintain or useful in the conduct of the business of the Issuer and its Subsidiaries taken as a whole;

(xiii) any disposition arising from foreclosure, condemnation or any similar action with respect to any property or other assets;

(xiv) the surrender or waiver of contract rights or the settlement, release or surrender of contract, tort or other claims of any kind;

(xv) a disposition of cash or Cash Equivalents;

(xvi) any sale or other disposition made pursuant to, or as a result of, a final judgment or court order related to a liquidation or unpaid claim;

(xvii) discount or disposition of receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings and exclusive of factoring or similar arrangements;

(xviii) any disposition of assets to any governmental authority or agency pursuant to state asset acquisition laws, regulations or rules;

(xix) Investments in Joint Ventures and Project Companies, in each case engaged in a Permitted Business, substantially all of the activity of which is, or will be, the ownership and/or development and/or operation of a project or concession or construction agreement;

(xx) any disposition in connection with a Permitted Reorganisation;

(xxi) dispositions in a single transaction or series of related transactions with a Fair Market Value of less than €100 million;

(xxii) the granting of a Security Interest not prohibited by these Conditions and dispositions in connection with Permitted Security Interests;

(xxiii) (a) an issuance or transfer of Capital Stock by a Subsidiary of the Issuer (i) to the Issuer or to another Subsidiary of the Issuer or (ii) as part of, or pursuant to, an equity incentive or compensation plan approved by the board of directors of the Issuer or any Officer of the Issuer or (b) the issuance of directors' qualifying shares and shares issued to individuals as required by applicable law; and

(xxiv) foreclosure, condemnation or similar action with respect to any assets.

"Auditors" means one of PricewaterhouseCoopers, EY, KPMG or Deloitte & Touche or any other firm appointed by the Issuer and approved in writing in advance by the Trustee.

"Calculation Amount" means €1,000 in principal amount of the Notes.

"**Capital Stock**" means:

(i) with respect to any Person that is a corporation, any and all shares, interests, participations or other equivalents (however designated and whether or not voting) of corporate stock, including each class of Common Stock and Preferred Stock of such Person, and all options, warrants or other rights to purchase or acquire any of the foregoing; and

(ii) with respect to any Person that is not a corporation, any and all partnership, membership or other equity interests of such Person, and all options, warrants or other rights to purchase or acquire any of the foregoing.

"**Cash Equivalents**" means:

(i) any evidence of Indebtedness with a maturity of one year or less issued or directly and fully guaranteed or insured by a corporation or other legal entity organised under the laws of an Approved Jurisdiction; provided that the full faith and credit of an Approved Jurisdiction (or similar concept under the laws of the relevant Approved Jurisdiction) is pledged in support thereof; and/or

(ii) commercial paper with a maturity of one year or less issued by a corporation organised under the laws of an Approved Jurisdiction; and/or

(iii) certificates of deposit maturing within one year after the relevant date of calculation and issued by a bank with credit rating not below (i) BBB by to Standard & Poor's Credit Market Services Europe Limited or Fitch Ratings Limited, or (ii) Baa2 by Moody's Investor Services Ltd.; and/or

(iv) any investment in money market funds which have a credit rating of either A-1 or higher by Standard & Poor's Credit Market Services Europe Limited or Fitch Ratings Limited or P1 or higher by Moody's Investor Services Limited and which invest substantially all their assets in securities of the type described in paragraph (i) above and which can be turned into cash on not more than 30 days' notice,

in each case, which is not issued or guaranteed by any member of the Group or subject to any Security Interest.

Each of Standard & Poor's Credit Market Services Europe Limited, Fitch Ratings Limited and Moody's Investor Services Limited is established in the EEA and registered under Regulation (EU) No. 1060/2009, as amended, and is included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority at http://www.esma.europa.eu/page/List-registered-and- certified-CRAs.

A **"Change of Control"** will be deemed to occur if any Person (other than the SAPA Relevant Shareholder) or group of persons Acting in Concert (other than the SAPA Relevant Shareholder) acquires, Directly or Indirectly, Control of the Issuer.

"**Common Stock**" of any Person means any and all shares, interests or other participations in, and other equivalents (however designated and whether voting or non- voting) of such Person's common stock, whether outstanding on the Issue Date or issued after the Issue Date, and includes, without limitation, all series and classes of such common stock.

"Compliance Certificate" means the compliance certificate to be delivered on each Reporting Date and signed by a duly authorised director of the Issuer, certifying, amongst others, that the Issuer is and has been in compliance with the covenants set out in Condition 4 (Covenants) at all times during the Relevant Period.

"**Consolidated Coverage Ratio**" means, as of any Determination Date, the ratio of (i) the Consolidated EBITDA for the Relevant Period ending on that Determination Date and (ii) the Consolidated Gross Interest Expenditure for that Relevant Period. In the event that the Issuer or any Subsidiary incurs, assumes, guarantees, repays, repurchases, redeems or otherwise discharges any Indebtedness subsequent to the commencement of the period for which the calculation of the Consolidated Coverage Ratio is made, then the Consolidated Coverage Ratio will be calculated giving pro forma effect (as determined in good faith by reference to the most recent Compliance Certificate) to such incurrence, assumption, guarantee, repayment, repurchase, redemption or other discharge of Indebtedness, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable Relevant Period.

"Consolidated EBITDA" means, in respect of any Relevant Period, the consolidated operating profit of the Group before taxation (including the results from discontinued operations):

(i) **before deducting** any interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments, whether paid, payable or capitalised by any member of the Group (calculated on a consolidated basis) in respect of that Relevant Period;

(ii) **not including** any accrued interest owing to any member of the Group;

(iii) **after adding back** any amount attributable to provisions and the amortisation, depreciation or impairment of assets of members of the Group (and taking no account of the reversal of any previous impairment charge made in that Relevant Period);

(iv) **before taking into account** any Exceptional Items related to the members of the Group;

(v) **before taking into account** any unrealised gains or losses on any derivative instrument (other than any derivative instrument which is accounted for on a hedge accounting basis);

(vi) **before taking into account** any gain or loss arising from an upward or downward revaluation of any other asset; and

(vii) **excluding** the charge to profit represented by the expensing of stock options,

in each case, to the extent added, deducted or taken into account, as the case may be, for the purposes of determining operating profits of the Group before taxation.

''Consolidated Gross Interest Expenditure'' means, for any Relevant Period, all interest expense of the Group for such period (including capitalised interest) determined on a consolidated basis in accordance with the Accounting Principles.

"**Consolidated Indebtedness**" means, at any date of determination (and without duplication), all Indebtedness of the Group resulting from the then most recently available consolidated financial statements of the Issuer.

"**Consolidated Net Income**" means, in respect of any Relevant Period, the consolidated net income of the Group in respect of that Relevant Period determined in accordance with the latest consolidated financial statements of the Issuer.

"**Consolidated Net Indebtedness**" means Consolidated Indebtedness less (i) the amount of Readily Marketable Inventories and (ii) cash and Cash Equivalents, in each case as resulting from the latest consolidated financial statements of the Issuer.

"**Consolidated Net Leverage Ratio**" means, as at any date of determination, the ratio of: (1) the Consolidated Net Indebtedness, to (2) the Consolidated EBITDA for the period of the Issuer's most recent two consecutive fiscal semesters for which consolidated financial statements of the Issuer are available prior to the date of determination.

"Consolidated Total Assets" means, at any time, the consolidated total assets of the Group.

''**Contractual Bonds**'' means performance bonds, bid bonds, advance payment bonds, retention bonds, bonds for taxes and any other similar bond or guarantee instrument, granted directly or indirectly, including by means of a counter guarantee.

"Control" or **"Controlled"** has the meaning given to it by article 2359 of the Italian Civil Code and/or article 7 of Law No. 287 of 10 October 1990 and/or (where applicable) article 93 of Legislative Decree No. 58 of 24 February 1998.

"DCM Indebtedness" means (i) any indebtedness for or in respect of moneys borrowed or raised which is in the form of, or represented by, any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is, or is capable of being, listed, quoted or traded on any stock exchange, over the counter or on any other organised market for securities or (ii) any guarantee and/or indemnity in relation to any such indebtedness.

"**Determination Date"** means each of 31 December and 30 June in each year.

"Directly or Indirectly" means ownership in any Person either (i) directly through the ownership of shares in that Person or (ii) indirectly through the ownership of shares held in one or more controlling companies of that person.

"**Disputes**" means any dispute arising out of or in connection with the Notes or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with them.

''**Equity Interests**'' means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"Event of Default" has the meaning given to it in Condition 10.

"Exceptional Items" means any exceptional, one-off, non-recurring or extraordinary items which represent gains or losses, including those arising on:

(i) the restructuring of the activities of an entity and reversals of any provisions for the cost of restructuring;

(ii) disposals, revaluations, write-downs or impairment of non-current assets or any reversal of any write-down or impairment; and

(iii) disposals of assets associated with discontinued operations.

"**Fair Market Value**" means the price that could be negotiated in an arm's length transaction between an informed and willing seller under no compulsion to sell and an informed and willing buyer under no compulsion to buy, as determined in good faith by the board of directors of the Issuer or any Subsidiary or any Officer of the Issuer or any Subsidiary, as the case may be, whose determination shall be conclusive if evidenced by a resolution of such relevant competent management body.

"Finance Lease" means any lease or hire purchase contract which would, in accordance with the Accounting Principles, be treated as a finance or capital lease.

"Financial Year" means the annual accounting period of the Group ending on 31 December in each year.

''Fitch'' means Fitch Ratings Ireland Limited Sede Secondaria Italiana or any successor thereto from time to time.

"Group" means the Issuer and its Subsidiaries from time to time.

"Indebtedness" means any indebtedness for or in respect of:

(i) moneys borrowed and debit balances at banks or other financial institutions (including any overdraft);

(ii) any acceptance under any acceptance credit or bill discounting facility (or dematerialised equivalent);

(iii) any indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market;

(iv) the amount of any liability in respect of Finance Leases;

(v) receivables sold or discounted (other than any receivables sold on a non-recourse basis);

(vi) any Treasury Transaction (and, when calculating the value of that Treasury Transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that Treasury Transaction, that amount) shall be taken into account);

(vii) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability (but not, in any case, Trade Instruments) of an entity which is not a member of the Group, which liability would fall within one of the other paragraphs of this definition;

(viii) any amount raised by the issue of shares which are redeemable (other than at the option of the issuer) or are otherwise classified as borrowings under the Accounting Principles);

(ix) any amount of any liability under an advance or deferred purchase agreement if (A) one of the primary reasons behind entering into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question or (B) the agreement is in respect of the supply of assets or services and payment is due more than 120 days after the date of supply;

(x) any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing or otherwise classified as borrowings under the Accounting Principles; and

(xi) (without double counting) the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (i) to (x) above.

An **"Insolvency Event"** will have occurred in respect of the Issuer or any of its Material Subsidiaries if:

(i) any one of them becomes subject to any applicable bankruptcy, liquidation, administration, receivership, insolvency, composition or reorganisation (including, without limitation, *fallimento, liquidazione coatta amministrativa, concordato preventivo, accordi di ristrutturazione* and *amministrazione straordinaria*, each such expression bearing the meaning ascribed to it by the laws of the Republic of Italy, and including also any equivalent or analogous proceedings under the law of the jurisdiction in which it is deemed to carry on business, including the seeking of liquidation, winding-up, reorganisation, dissolution, administration, receivership, arrangement, adjustment, protection or relief of debtors) or similar proceedings, or the whole or a substantial part of its undertaking or assets are subject to a *pignoramento* or similar procedure having a similar effect, unless such proceedings (A) are being disputed in good faith with a reasonable prospect of success as confirmed by an opinion of independent legal advisers of recognised standing or (B) are discharged or stayed within 60 days;

(ii) an application for the commencement of any of the proceedings under paragraph (i) above is made in respect of, or by, any one of them, or the same proceedings are otherwise initiated against any one of them, or notice is given of intention to appoint an administrator in relation to any one of them, unless (A) the commencement of such proceedings is being disputed in good faith with a reasonable prospect of success as confirmed by an opinion of independent legal advisers of recognised standing or (B) such proceedings are discharged or stayed within 60 days;

(iii) any one of them takes any action for a re-adjustment or deferral of any of its obligations, or makes a general assignment or an arrangement or composition with or for the benefit of its creditors, or is granted by a competent court a moratorium in respect of any of its indebtedness, or any guarantee of any of its indebtedness, or applies for suspension of payments; or

(iv) an order is made or an effective resolution is passed for the winding-up, liquidation, administration or dissolution in any form of any one of them (except a winding-up for the purposes of or pursuant to Permitted Reorganisation), or any of the events under article 2484 of the Italian civil code occurs with respect to any one of them.

"Insolvent" means that the Issuer or any of its Material Subsidiaries is, or is deemed for the purposes of any applicable law to be, unable to pay its debts as they fall due, or is insolvent.

"Interest Period" means the period beginning on and including the Issue Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date.

''**Investments"** means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including guarantees or other obligations), advances or capital contributions or other extension of credit (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as Investments on a balance sheet prepared in accordance with the Accounting Principles; provided, however, that endorsements of negotiable instruments and documents in the ordinary course of business will not be deemed to be an Investment. If the Issuer or any Subsidiary of the Issuer sells or otherwise disposes of any Equity Interests of any direct or indirect Subsidiary of the Issuer such that, after giving effect to any such sale or disposition, such Person is no longer a Subsidiary of the Issuer, the Issuer will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Issuer's Investments in such Subsidiary. The acquisition by the Issuer or any Subsidiary of the Issuer of a Person that holds an Investment in a third Person will be deemed to be an Investment by the Issuer or such Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in Condition 4(b)(iii). Except as otherwise provided in these Conditions, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

"**Joint Venture**" means any joint venture entity, whether an unincorporated firm, undertaking, association, joint venture or partnership or any other entity, including any consortium or temporary association of companies (*associazione temporanea di imprese*).

"**Management Advances**" means loans or advances made to, or guarantees with respect to loans or advances made to, directors, officers, employees or consultants of the Issuer or any Subsidiary:

(1) (a) in respect of travel, entertainment or moving related expenses Incurred in the ordinary course of business or (b) for purposes of funding any such person's purchase of Capital Stock or Subordinated Indebtedness (or similar obligations) of the Issuer or its Subsidiaries;

(2) in respect of moving related expenses incurred in connection with any closing or consolidation of any facility or office; or

(3) not exceeding the greater of €20 million and 8.0% of Consolidated EBITDA in the aggregate outstanding at any time.

"**Market Capitalisation**" means an amount equal to the total number of issued and outstanding shares of common stock or common equity interests of the Issuer on the date of the declaration of the relevant dividend multiplied by the arithmetic mean of the closing prices per share of such common stock or common equity interests for the thirty

(30) consecutive trading days immediately preceding the date of declaration of such dividend or distribution or the making of the relevant loan or advance.

"Material Subsidiary" means, at any time, any Subsidiary of the Issuer which (consolidated with its own Subsidiaries, if any) accounts for at least 10 per cent. of the Consolidated EBITDA, the Consolidated Total Assets or the Group's gross revenues (excluding intra-group items), or any holding company of any such company. For the purposes of this definition, compliance with the conditions set out above shall be determined by reference to the most recent Compliance Certificate and/or the latest audited financial statements of that Subsidiary (consolidated in the case of a Subsidiary which itself has Subsidiaries) and the latest audited consolidated financial statements of the Group. However, if a Subsidiary has been acquired since the date as at which the latest audited consolidated financial statements of the Group were prepared, the financial statements shall be deemed to be adjusted in order to take into account the acquisition of that Subsidiary (that adjustment being certified by the Group's Auditors as representing an accurate reflection of the revised the Consolidated EBITDA, the Consolidated Total Assets or the Group's gross revenues (excluding intra-group items)). A report by the Auditors of the Issuer or a certificate signed by a duly authorised director of the Issuer that a Subsidiary is or is not a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on the Trustee, the Noteholders and all other persons.

''Moody's'' means Moody's Investors Service Limited or any successor thereto from time to time.

"**Net Cash Proceeds**" means:

(a) with respect to any Asset Sale, the proceeds thereof in the form of cash or Cash Equivalents actually received (except to the extent that such obligations are financed or sold with recourse to the Issuer or any Subsidiary), net of:

(i) brokerage commissions and other fees and expenses (including, without limitation, fees and expenses of legal counsel, accountants, investment banks and other consultants) related to such Asset Sale;

(ii) provisions for all taxes paid or payable, or required to be accrued as a liability under the Accounting Principles as a result of such Asset Sale;

(iii) all distributions and other payments required to be made to any Person (other than the Issuer or any Subsidiary) owning a beneficial interest in the assets subject to the Asset Sale;

(iv) appropriate amounts required to be provided by the Issuer or any Subsidiary, as the case may be, as a reserve in accordance with the Accounting Principles against any liabilities associated with such Asset Sale and retained by the Issuer or any Subsidiary, as the case may be, after such Asset Sale, including, without limitation, pension and other post-employment benefit liabilities, liabilities related to environmental matters and liabilities under any indemnification obligations or potential purchase price adjustments associated with such Asset Sale;

(v) any other reasonable expenses which are incurred by any member of the Group with respect to the Asset Sale up to a total, per each Asset Sale, equal to 5% of the relevant consideration; and

(b) with respect to any capital contributions or issuance of Capital Stock or options, warrants or rights to purchase Capital Stock, or debt securities or Capital Stock that have been converted into or exchanged for Capital Stock as referred to in Condition 4(b) (Restricted Payments) the proceeds of such issuance in the form of cash or Cash Equivalents, payments in respect of deferred payment obligations when received in the form of, or stock or other assets when disposed of for, cash or Cash Equivalents (except to the extent that such obligations are financed or sold with recourse to the Issuer or any Subsidiary), net of attorney's fees, accountant's fees and brokerage, consultation, underwriting and other fees and expenses actually incurred in connection with such issuance and net of taxes paid or payable as a result of thereof.

''**Officer**'' means, with respect to any Person, the chief executive officer and the chief financial officer of such Person, or a responsible accounting or financial officer or other competent officer or body of such Person.

''**Permitted Asset Swap**'' means the concurrent purchase and sale by way of exchange of Capital Stock or assets used or useful in a Permitted Business between the Issuer or any of its Restricted Subsidiaries and another Person.

"**Permitted Business**" means any business that is the same as, or reasonably related, ancillary, incidental or complementary or similar to, any of the businesses in which the Issuer and its Subsidiaries are engaged on the Issue Date or are extensions or developments of any thereof.

"**Permitted Indebtedness**" means:

(i) any Indebtedness of the Issuer or a Subsidiary outstanding on the Issue Date and any extension, renewal, refunding or refinancing thereof (the **"Existing Permitted Indebtedness"**), provided that the principal amount thereof outstanding immediately before giving effect to such extension, renewal, refunding or refinancing is not increased so as to exceed the principal amount of such Existing Permitted Indebtedness outstanding on the Issue Date;

(ii) any Indebtedness of a Subsidiary outstanding at the time such Subsidiary becomes a Subsidiary and any extension, renewal, refunding or refinancing of such Indebtedness (the **"Acquired Subsidiary Indebtedness"**), provided that (A) such Acquired Subsidiary Indebtedness shall not have been incurred in contemplation of such Subsidiary becoming a Subsidiary and (B) immediately after such Subsidiary becomes a Subsidiary, no Event of Default shall exist;

(iii) any Indebtedness of a Subsidiary owing to or in favour of the Issuer or any other Subsidiary;

(iv) any Project Indebtedness incurred in relation to any Project (other than the Indebtedness referred to paragraph (v) below);

(v) any Indebtedness of a Subsidiary which is not a Material Subsidiary (the **"Other Permitted Indebtedness"**); and

(vi) any Indebtedness of the Issuer and/or the Material Subsidiaries (other than the Indebtedness referred to in paragraphs (i) to (v) above) up to an aggregate principal amount equal to 15 per cent. of Consolidated Total Assets, determined as of the latest Determination Date (the **“Material Permitted Indebtedness”**).

“**Permitted Recourse Receivables Financing**” means any financing other than a Qualified Receivables Financing pursuant to which the Issuer or any of its Subsidiaries may sell, convey or otherwise transfer to any other Person, or grant a security interest in, any Securitisation Assets (and related assets) of the Issuer or any of its Subsidiaries in an aggregate principal amount equal to the Fair Market Value of such Securitisation Assets (and related assets); provided that (a) the covenants, events of default and other provisions applicable to such financing shall be on market terms (as determined in good faith by the Issuer’s board of directors or Officer) at the time such financing is entered into and (b) the interest rate applicable to such financing shall be a market interest rate (as determined in good faith by the Issuer’s board of directors or Officer) at the time such financing is entered into.

“Permitted Reorganisation” means any solvent amalgamation, merger, demerger or reconstruction involving the Issuer or any Subsidiary under which the assets and liabilities of the Issuer or the relevant Subsidiary are assumed by the entity resulting from such amalgamation, merger, demerger or reconstruction and, where the same involves the Issuer:

(i) such entity assumes all the obligations of the Issuer in respect of the Notes, and an opinion of an independent legal adviser of recognised standing in the Republic of Italy has been delivered to the Trustee, on behalf of the Noteholders, confirming the same prior to the effective date of such amalgamation, merger or reconstruction; and

(ii) (A) within 120 days of the completion of such transaction, such entity will be assigned at least the same corporate credit rating as the Issuer and (B) at the time of such transaction the Consolidated Coverage Ratio of such entity relating to the Relevant Period referred to in the latest Compliance Certificate (to the extent applicable pursuant to Condition 4 (Covenants) and as determined on a *pro forma* basis) is higher than the threshold set out in Condition 4 (Covenants)),

unless such amalgamation, merger, demerger or reconstruction has been approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders, and provided, however, that, in case of any solvent amalgamation, merger, demerger or reconstruction between the Issuer and any Subsidiary fully owned by the Issuer, (A) where the assets are transferred to or otherwise vested with the Issuer, the opinion set out in paragraph (i) will not be required or necessary and (B) the condition set out in paragraph (ii)(B) shall not apply.

“**Permitted Security Interest**” means:

(i) any Security Interest arising by operation of law;

(ii) any Security Interest to secure, respectively, the Existing Permitted Indebtedness, the Acquired Subsidiary Indebtedness and the Other Permitted Indebtedness;

(iii) any Security Interest to secure the Material Permitted Indebtedness;

(iv) any Project Security Interest;

(v) any Security Interest to secure the Indebtedness upon, or with respect to, any present or future assets, receivables, remittances or payment rights of the Issuer or any of its Subsidiaries (the **"Charged Assets"**) which is created pursuant to any securitisation or like arrangements whereby all or substantially all the payment obligations in respect of such Indebtedness are to be discharged solely from the Charged Assets; and

(vi) any Security Interest created in substitution of, or supplementing, any Security Interest permitted under paragraphs (ii) to (v) above over the same or substituted assets, provided that (A) the principal amount secured by the substitute Security Interest does not exceed the principal amount outstanding and secured by the initial Security Interest, (B) in the case of substituted assets, the market value of the substituted assets as at the time of substitution does not exceed the market value of the assets replaced, as determined and confirmed in writing by the Issuer (acting reasonably), (C) in the case of a Security Interest being supplemented, such supplementing was provided for under the relevant contractual arrangements at the time of creation of the Security Interest and is required to comply with such contractual arrangements, and (D) the duration of the substitute Security Interest does not exceed the duration of the initial Security Interest.

"**Preferred Stock**" of any Person means any Capital Stock of such Person that has preferential rights to any other Capital Stock of such Person with respect to dividends or redemptions or upon liquidation;

"**Production Assets**" means property, plant and equipment of the Group determined in accordance with the Accounting Principles which are used in the business of the Group.

"Project" means the ownership, acquisition, construction, development, design, leasing, maintenance and/or operation of an asset or assets and/or subscription of equity or shareholder loans by shareholders of the entity promoting such project.

"Project Company" means a company incorporated for the exclusive purpose of carrying out a Project in which the Issuer or any of its Subsidiaries has an equity interest.

"Project Indebtedness" means any Indebtedness to finance or refinance a Project where the recourse of the creditors thereof is limited to any or all of (i) the relevant Project (or the concession or assets related thereto), (ii) the share capital of, or other equity contribution to, the Project Company or Project Companies developing, financing or otherwise directly involved in the relevant Project, and/or (iii) other credit support (including, without limitation, completion guarantees and contingent equity obligations) customarily provided in support of such indebtedness.

"Project Security Interest" means a Security Interest over the shares or the assets of a Project Company to secure the Project Indebtedness of such Project Company.

"**Qualified Receivables Financing**" means any transaction or series of transactions that may be entered into by the Issuer or any of its Subsidiaries pursuant to which the Issuer or any of its Subsidiaries may sell, convey or otherwise transfer to (a) a

Receivables Subsidiary or (b) any other Person, or may grant a security interest in, any receivables (whether now existing or arising in the future) of the Issuer or any of its Subsidiaries, and any assets related thereto including, without limitation, all contracts and all guarantees or other obligations in respect of such accounts receivable, the proceeds of such receivables, the bank accounts into which the proceeds of such receivables are collected and other assets which are customarily transferred, or in respect of which security interests are customarily granted, in connection with asset securitisations, receivable sale facilities, factoring facilities or invoice discounting facilities involving receivables; provided that the board of directors or an Officer will have determined in good faith that such Qualified Receivables Financing (including financing terms, covenants, termination events and other provisions) is in the aggregate economically fair and reasonable to the Issuer and the applicable Subsidiary or Receivables Subsidiary.

"Rating Agencies" means Fitch, Moody's and S&P.

A **"Rating Event"** will have occurred if, and will be deemed to be outstanding for so long as:

(i) (A) the unsecured, unsubordinated debt obligations of the Issuer are rated by at least two of the Rating Agencies and (B) at least one of the Rating Agencies has assigned such debt obligations a rating not lower than (I) Baa3 by Moody's, (II) BBB by S&P or (III) BBB by Fitch; and

(ii) no Event of Default has occurred and is continuing.

"**Readily Marketable Inventories**" means the balance-sheet value of all finished products, raw materials and energy supplies that can be readily convertible into cash through access to widely available markets.

"**Receivables Subsidiary**" means a wholly owned Subsidiary of the Issuer (or another Person formed for the purposes of engaging in a Qualified Receivables Financing with the Issuer in which the Issuer or any Subsidiary of the Issuer makes an Investment and to which the Issuer or any Subsidiary of the Issuer transfers accounts receivable and related assets) which engages in no activities other than in connection with the financing of accounts receivable of the Issuer and its Subsidiaries.

"Reference Bond" means DBR 0 08/15/31 2.2078% (ISIN: DE0001030732).

"Reference Bond Rate" means, with respect to the Reference Dealers and the Optional Redemption Date, the average of the five quotations of the mid-market annual yield to maturity of the Reference Bond or, if the Reference Bond is no longer outstanding, a similar security in the reasonable judgement of the Reference Dealers at 11.00 a.m. London time on the third business day in London preceding the Optional Redemption Date quoted in writing to the Issuer by the Reference Dealers.

"Reference Dealers" means any 5 major investment banks in the swap, money or securities market as may be selected by the Issuer.

"Relevant Jurisdiction" means the Republic of Italy or any political subdivision or any authority thereof or therein having power to tax, or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and interest on the Notes and Coupons.

"Relevant Period" means a 12-month period ending on a Determination Date.

"Reporting Date" means a date falling no later than 60 days after (i) the approval by the board of directors of the Issuer's consolidated financial statements, with respect to the Relevant Period ending on 31 December, or (ii) the approval by the board of directors of the Issuer's unaudited semi-annual consolidated financial statements, with respect to a Relevant Period ending on 30 June, provided that the first Reporting Date shall be the date falling no later than 60 days after the approval by the board of directors of the Issuer's consolidated financial statements as of, and for the period ended, 31 December 2024.

"**Restricted Subsidiary**" means any Subsidiary other than the Subsidiaries that are also Project Companies.

"S&P" means S&P Global Ratings Europe Limited or any successor thereto from time to time.

"SAPA Relevant Shareholders" means Mr Pietro Salini, born in Rome on 29 March 1958 and/or any company Controlled, Directly or Indirectly, jointly or severally, by the same and/or any trustee, fiduciary or similar Person appointed to administer assets of the same where he is the sole beneficiary and whose administration is made exclusively in the interests of the same.

"Security Interest" means, without duplication, a mortgage, charge, pledge, lien or other security interest or other preferential interest or arrangement having a similar economic effect, excluding any right of set-off, but including any conditional sale or other title retention arrangement or any finance leases.

"**Securitisation Asset**" means (1) any accounts receivable, mortgage receivables, loan receivables, royalty, franchise fee, license fee, patent, rent or other revenue streams and other rights to payment or related assets and the proceeds thereof and (2) all collateral securing such receivable or asset, all contracts and contract rights, guarantees or other obligations in respect of such receivable or asset, lockbox accounts and records with respect to such account or asset and any other assets customarily transferred (or in respect of which security interests are customarily granted) together with accounts or assets in connection with a securitisation, factoring or receivable sale transaction.

"**Subordinated Indebtedness**" means Indebtedness of the Issuer that is expressly subordinated in right of payment to the Notes.

"Subsidiary" means, in relation to any company, corporation or legal entity (excluding, for the avoidance of doubt, (i) any consortium pursuant to article 2602 of the Italian civil code and (ii) any Joint Venture) (a "holding company"), any company, corporation or legal entity (excluding, for the avoidance of doubt, (i) any consortium pursuant to article 2602 of the Italian civil code and (ii) any Joint Venture) which is Controlled, Directly or Indirectly, by the holding company.

"TARGET Settlement Day" means any day on which the TARGET System is open.

"TARGET System" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

"Trade Instruments" means any bid bonds, performance bonds, advance payment bonds, retention money bonds or documentary letters of credit issued in respect of the obligations of any member of the Group arising in the ordinary course of trading of that member of the Group.

"Treasury Transactions" means any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price.

(b) **Interpretation:** In these Conditions:

(i) **"business day"** means a day on which commercial banks and foreign exchange markets are open in the relevant city and which is a TARGET Settlement Day;

(ii) **"Person"** means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

(iii) **"Relevant Date"** means whichever is the later of (A) the date on which such payment first becomes due and (B) if the full amount payable has not been received by the Principal Paying Agent or the Trustee on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Noteholders;

(iv) any reference in these Conditions to principal and/or interest shall be deemed to include any additional amounts which may be payable under this Condition or any undertaking given in addition to or substitution for it under the Trust Deed; and

(v) any reference in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to Condition 16 (Further issues) and forming a single series with the Notes.

2. Form, denomination and title

(a) **Form and denomination:** The Notes are serially numbered and in bearer form in the denomination of €100,000 each with Coupons attached on issue and integral multiples of €1,000 in excess thereof, up to and including €199,000, with Coupons attached at the time of issue. No Notes in definitive form will be issued with a denomination above €199,000.

(b) **Title:** Title to the Notes and Coupons passes by delivery. The holder of any Note or Coupon will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss) and no Person will be liable for so treating the holder.

3. Status

The Notes and Coupons constitute (subject to Condition 5 (Negative pledge)) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Notes and the Coupons shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 5

(Negative pledge), at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

4. Covenants

(a) **Limitation on Indebtedness**: So long as any of the Notes or Coupons remains outstanding (as defined in the Trust Deed), the Issuer shall not, and shall procure that none of its Subsidiaries will, incur any additional Indebtedness (other than the Permitted Indebtedness) if, on the date of the incurrence of such additional Indebtedness, the Consolidated Coverage Ratio relating to the Relevant Period referred to in the latest Compliance Certificate is less than 2.5:1.0, determined on a pro forma basis, assuming for these purposes that such additional Indebtedness has been incurred, and the net proceeds thereof applied, on the first day of the applicable Relevant Period.

(b) **Restricted Payments**: The Issuer will not, and will not cause or permit any of its Subsidiaries to, directly or indirectly:

(i) declare or pay any dividend or make any distribution (other than dividends or distributions payable solely in the form of its Capital Stock) on or in respect of its Capital Stock to holders of such Capital Stock;

(ii) purchase, redeem or otherwise acquire or retire for value any of its Capital Stock;

(iii) make any principal payment on, purchase, defease, redeem, prepay, decrease or otherwise acquire or retire for value, prior to any scheduled final maturity, scheduled repayment or scheduled sinking fund payment, any Subordinated Indebtedness;

(each of the foregoing actions set forth in paragraphs (i), (ii) and (iii) being referred to as a "**Restricted Payment**"), if at the time of such Restricted Payment or immediately after giving effect thereto:

(i) an Event of Default shall have occurred and be continuing; or

(ii) the Issuer would not be able to incur at least €1.00 of additional Indebtedness pursuant to the ratio set forth in Condition 4(a) (Limitation on Indebtedness); or

(iii) the aggregate amount of Restricted Payments (including such proposed Restricted Payment) made subsequent to the Issue Date after giving effect to the reductions required by the penultimate paragraph of this Condition 4 (the amount expended for such purposes, if other than in cash, being the fair market value of such property as determined in good faith by the board of directors of the Issuer or an Officer of the Issuer) would exceed the sum of:

(A) 50 per cent. of the cumulative Consolidated Net Income (or if cumulative Consolidated Net Income shall be a loss, minus 100 per cent. of such loss but with the resulting amount of this paragraph (A) not being less than zero) of the Issuer earned subsequent to the Issue Date and on or prior to the last day of the Issuer's last fiscal semester ending prior to the date of such proposed Restricted Payment (the "**Reference Date**") (treating such period as a single accounting period); plus

(B) 100 per cent. of the aggregate net cash proceeds and of the fair market value of any marketable securities, in each case, received by the Issuer from any person (other than a Subsidiary of the Issuer) from the issuance and sale subsequent to the Issue Date of (i) Capital Stock of the Issuer and (ii) debt securities of the Issuer or its Subsidiaries that have been converted into Capital Stock of the Issuer; plus

(C) the greater of (A) €75 million and (B) 30% of EBITDA of the Issuer and its Subsidiaries for the most recently ended two full fiscal semesters for which consolidated financial statements are available immediately preceding the date of calculation.

Notwithstanding the foregoing, the provisions set forth in the immediately preceding paragraph do not prohibit; provided that solely with respect to sub-paragraphs (e), (f) and (g) below, no Event of Default has occurred and is continuing:

(a) the payment of any dividend within 90 days after the date of declaration of such dividend if the dividend would have been permitted on the date of declaration;

(b) the redemption, repurchase, retirement, defeasance or other acquisition of any shares of Capital Stock or Subordinated Indebtedness of the Issuer, either (i) solely in exchange for shares of Capital Stock of the Issuer or (ii) through the application of net proceeds of a substantially concurrent sale for cash (other than to a Subsidiary of the Issuer) of shares of Capital Stock of the Issuer or equity contributions to the Issuer or (iii) through an issuance of Subordinated Indebtedness of the Issuer or (iv) a combination of (i), (ii) and (iii);

(c) the declaration and/or payment of any dividend by a Subsidiary of the Issuer (i) to the Issuer, also in excess of the participation of the Issuer in the Capital Stock of such Subsidiary or (ii) to the holders of its Capital Stock (other than the Issuer) on a pro rata basis;

(d) repurchases of Capital Stock deemed to occur upon exercise of stock options or warrants if such Capital Stock represents a portion of the exercise price of such options or warrants;

(e) any Restricted Payment; provided that the Consolidated Net Leverage Ratio would not be greater than 2.60 to 1.00 on a pro forma basis after giving effect to such Restricted Payment;

(f) additional Restricted Payments in an aggregate amount not to exceed the greater of €375 million and 3.25% of Consolidated Total Assets; and

(g) the declaration and payment by the Issuer of, dividends on the Capital Stock of the Issuer, in an amount not to exceed in any fiscal year 8% of the Market Capitalisation (provided that after giving pro forma effect to such dividends or distributions, the Consolidated Net Leverage Ratio would not exceed 3.60 to 1.0).

In determining the aggregate amount of Restricted Payments made subsequent to the Issue Date in accordance with sub-paragraph (iii) of the definition of "Restricted Payments" in the first paragraph of this covenant, amounts expended pursuant to sub-paragraphs (e), (f) and (g) shall be included in such calculation and will reduce the amount that would otherwise be available for Restricted Payments under sub-paragraph (iii) of the definition of "Restricted Payments" in the first paragraph of this covenant.

In the event an item meets the criteria of more than one category of Restricted Payment the Issuer in its sole discretion, may classify any other Restricted Payment as being made in part under one of the paragraphs or sub-paragraphs of this covenant and in part under one or more other such paragraphs or sub-paragraphs.

(c) **Limitation on Sales of Certain Assets**:

The Issuer will not, and the Issuer will not permit any Restricted Subsidiary of the Issuer to, consummate any Asset Sale, unless

(A) the consideration received by the Issuer or such Restricted Subsidiary, as the case may be, (including by way of relief from, or by any other Person assuming responsibility for, any liabilities, contingent or otherwise) is at least equal to the Fair Market Value of the Production Assets or Capital Stock of a Subsidiary of the Issuer holding Production Assets, as the case may be, sold or disposed of;

(B) at least 75% of the consideration the Issuer or any Restricted Subsidiary receives in respect of such Asset Sale (except to the extent the Asset Sale is a Permitted Asset Swap) is cash or Cash Equivalents.

If the Issuer or any of its Restricted Subsidiaries consummates an Assets Sale, the Net Cash Proceeds may be:

(i) applied to repay permanently any Consolidated Indebtedness and/or pay any other Indebtedness and/or obligations of the Group (other than Indebtedness subordinated to the Notes);

(ii) utilised for any transaction between the Issuer and any of its Subsidiaries and/or between its Subsidiaries;

(iii) invested in assets of a nature or type that is used or usable in the ordinary course of business of the Issuer or any of the Issuer's Subsidiaries, being the Permitted Business;

(iv) retained as cash deposited with a bank or invested in Cash Equivalents; and/or

(v) applied for the purposes of (i) acquiring all or substantially all of the assets of, or any Capital Stock of, another Permitted Business, if, after giving effect to any such acquisition of Capital Stock, the Permitted Business is or becomes a Subsidiary of the Issuer, or (ii) acquiring the Capital Stock of any other Person engaged in a Permitted Business in connection with any stock for stock or asset swap transaction;

(vi) make capital expenditures;

(vii) applied towards the making of Investments in Joint Ventures engaged in a Permitted Business (substantially all of the activity of which is, or will be, the ownership and/or development and/or operation of a project or concession or construction agreement); provided that any such investment made pursuant to a binding agreement or commitment that is executed or approved within such time frame will satisfy this requirement, so long as such investment is consummated within 36 months of the expiration of the 365-day term set forth herein; or

(viii) a combination of the foregoing,

in each case, within 365 days of the date when the Net Cash Proceeds are received; *provided* that, if the Net Cash Proceeds are applied pursuant to Condition 4(c)(iv), the Issuer or such Subsidiary, as the case may be, shall apply or invest the Net Cash Proceeds on or prior to the date falling 540 days after the date when such proceeds are received either to:

(a) repay permanently any Consolidated Indebtedness and/or pay any other Indebtedness and/or obligations of the Group (other than Indebtedness subordinated to the Notes);

(b) utilised for any transaction between the Issuer and any of its Subsidiaries and/or between the Subsidiaries;

(c) invest in assets of a nature or type that is used or usable in the ordinary course of business of the Issuer or any of the Issuer's Subsidiaries, within the parameters of the Permitted Business;

(d) make capital expenditures;

(e) be applied for the purposes of (i) acquiring all or substantially all of the assets of, or any Capital Stock of, another Permitted Business, if, after giving effect to any such acquisition of Capital Stock, the Permitted Business is or becomes a Subsidiary of the Issuer, or (ii) acquiring the Capital Stock of any other Person engaged in a Permitted Business in connection with any stock for stock or asset swap transaction; or

(f) be applied towards the making of Investments in Joint Ventures engaged in a Permitted Business (substantially all of the activity of which is, or will be, the ownership and/or development and/or operation of a project or concession or construction agreement); provided that any such investment made pursuant to a binding agreement or commitment that is executed or approved within such time frame will satisfy this requirement, so long as such investment is consummated within 36 months of the expiration of the 365-day term set forth herein,

it being understood that the Trustee shall have no duty to monitor the expiry of any such periods set forth herein.

Any Net Cash Proceeds from Asset Sales that are not applied or invested as provided in sub-paragraphs (a) to (f) above will constitute "**Excess Proceeds**". When the aggregate amount of Excess Proceeds exceeds the greater of 0.75% of the Consolidated Assets or €60 million, within 20 business days thereof, the Issuer will make an offer (an "**Asset Sale Offer**") to all Noteholders and, to the extent the Issuer elects, to all holders of other Indebtedness ranking *pari passu* with the Notes to purchase, prepay or redeem the maximum principal amount of Notes and such other *pari passu* Indebtedness (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith) that may be purchased, prepaid or redeemed out of the Excess Proceeds. The offer price in any

Asset Sale Offer will be equal to 100% of the principal amount, plus accrued and unpaid interest, if any, to the date of purchase, prepayment or redemption, subject to the rights of Noteholders to receive interest due on the relevant Interest Payment Date, and will be payable in cash. If any Excess Proceeds remain after consummation of an Asset Sale Offer, the Issuer may use those Excess Proceeds for any purpose not otherwise prohibited by these Conditions. If the aggregate principal amount of Notes and other *pari passu* Indebtedness tendered into (or required to be prepaid or redeemed in connection with) such Asset Sale Offer exceeds the amount of Excess Proceeds, the Notes will be purchased, prepaid or redeemed by the Issuer on a *pro rata* basis using a pool factor and such other *pari passu* Indebtedness to be purchased on a *pro rata* basis, based on the amounts tendered or required to be prepaid or redeemed. For the purposes of calculating the aggregate principal amount of any such Indebtedness not denominated in euro, such Indebtedness shall be calculated by converting any such aggregate principal amounts into their euro equivalent determined as of a date selected by the Issuer that is within the Asset Disposition Offer Period (as defined below). Upon completion of each Asset Sale Offer, the amount of Excess Proceeds will be reset at zero.

The Asset Sale Offer, in so far as it relates to the Notes, will remain open for a period of not less than 20 business days following its commencement (the ''**Asset Sale Offer Period**''). No later than five business days after the termination of the Asset Sale Offer Period (the ''**Asset Sale Purchase Date''**), the Issuer will purchase the aggregate principal amount of Notes, and, to the extent it elects, Indebtedness ranking *pari passu* with the Notes required to be purchased pursuant to this covenant (the ''**Asset Sale Offer Amount**'') or, if less than the Asset Sale Offer Amount has been so validly tendered, all Notes and *pari passu* Indebtedness validly tendered in response to the Asset Sale Offer.

On or before the Asset Sale Purchase Date, the Issuer will, to the extent lawful, accept for payment, on a *pro rata* basis to the extent necessary, the Asset Sale Offer Amount of Notes and *pari passu* Indebtedness or portions of Notes and such *pari passu* Indebtedness so validly tendered and not properly withdrawn pursuant to the Asset Sale Offer, or if less than the Asset Sale Offer Amount has been validly tendered and not properly withdrawn, all Notes and *pari passu* Indebtedness so validly tendered and not properly withdrawn and, in the case of the Notes, in minimum denominations of €100,000 and in integral multiples of €1,000 in excess thereof.

The Issuer will comply with all applicable securities laws and regulations to the extent those laws and regulations are applicable in connection with each repurchase of Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the "Asset Sale" provision of these Conditions, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under any such provision of these Conditions by virtue of such compliance.

(d) **Limitation on transactions with Affiliates**:

The Issuer will not, and shall ensure that none of its Restricted Subsidiaries, directly or indirectly, will, conduct any business, enter into or permit to exist any transaction or series of related transactions (including, without limitation, the purchase, sale, transfer, conveyance or exchange of any property or the rendering of any service) with, or for the benefit of, any Affiliate (as defined in Rule 405 of the United States Securities Act of 1933, as amended, an "**Affiliate**" and each such transaction, an "**Affiliate Transaction**"), including, without limitation, intercompany loans, unless,

(a) the terms of such Affiliate Transaction are no less favourable to the Issuer or such Restricted Subsidiary, as the case may be, than those that could be obtained (at the time of such transaction or, if such transaction is pursuant to a written agreement, at the time of the execution of the agreement providing therefor) in a comparable arm's length transaction with a Person that is not an Affiliate of the Issuer or such Restricted Subsidiary; or

(b) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of the greater of (i) €75 million or (ii) 1.00% of Consolidated Total Assets, the Issuer certifies in writing to the Trustee that such Affiliate Transaction has been approved by a majority of the disinterested members of the board of directors of the Issuer (upon which certification the Trustee may rely without any liability and without further enquiry) accompanied by evidence of the same.

This Condition 4(d) does not apply to:

(i) any transaction between the Issuer and any of its Subsidiaries and/or between the Subsidiaries;

(ii) any transaction not involving, individually or in aggregate, payments or value in excess of the greater of (i) €15 million or (ii) 0.20% of Consolidated Total Assets;

(iii) transactions between or among the Issuer or any Subsidiary with a Joint Venture (a) where such transactions are carried out in the ordinary course of business or (b) which are fair to the Issuer or the relevant Subsidiary, as the case may be, in the reasonable determination of the board of directors of the Issuer or an Officer of the Issuer, or are on terms no less favourable (taking into account the costs and benefits of associated with such transactions) than those that could reasonably have been obtained at such time from an unaffiliated Person;

(iv) transactions in respect of the granting by the Issuer of Contractual Bonds to the benefit of Joint Ventures;

(v) any issuance of Capital Stock of the Issuer or options, warrants or other rights to acquire such Capital Stock;

(vi) any Management Advances;

(vii) transactions or payments pursuant to or contemplated by, any agreement or instrument in effect on the Issue Date, as such agreements or instruments may be amended, modified, supplemented, extended, renewed or refinanced from time to time in accordance with the other terms of this covenant or to the extent not more disadvantageous to the holders of the Notes than the original agreement or instrument as in effect on the Issue Date;

(viii) transactions effected as part of any factoring or securitisation transaction undertaken in the ordinary course of business and consistent with past practice;

(ix) transactions between or among the Issuer and/or its Subsidiaries and any Person that is an Affiliate of the Issuer solely because the Issuer or a Subsidiary of the Issuer either controls (including pursuant to a joint venture or shareholders agreement), can designate one or more Persons to the board of directors of or owns, directly or indirectly, an Equity Interest in such Person;

(x) transactions with customers, clients, suppliers, or purchasers or sellers of goods or services (including financial advisory services) or providers of employees or other labour, in each case in the ordinary course of business and otherwise in compliance with the terms of the Notes that are fair to the Issuer or its Subsidiaries, in the reasonable determination of the senior management of the Issuer, or are on terms at least as favourable as might reasonably have been obtained at such time from an unaffiliated Person;

(xi) compensation or employee benefit arrangements (including indemnities) with any employee, officer or director of the Issuer or any Subsidiary of the Issuer arising as a result of any employment, consulting, collective bargaining or benefit plan, program, contract or arrangement;

(xii) any Restricted Payment permitted to be made pursuant to Condition 4(b) (Restricted Payments); or

(xiii) any payment of amounts due by the Issuer and/or any Subsidiary to any Affiliate which Controls the Issuer or any Subsidiary in relation to the costs and fees payable in respect of any guarantee granted by such Affiliate at Fair Market Value and in the interest of the Issuer and/or any of its Subsidiaries.

(e) **Compliance certificate**: For so long as the Notes remain outstanding, the Issuer will deliver the Compliance Certificate to the Trustee on each Reporting Date.

(f) **Suspension of covenants**: To the extent that the Rating Event has occurred and for so long as such Rating Event is outstanding, Condition 4(a) (*Limitation on Indebtedness*), Condition 4(b) (*Restricted Payments*), Condition 4(c) ((*Limitation on Sales of Certain Assets*), Condition 4(d) (*Limitation on transactions with Affiliates*), Condition 4(e) (*Compliance certificate*) and Condition 5 (*Negative pledge*) shall not apply, provided, however, that Condition 5 (*Negative pledge*) will continue to apply to the DCM Indebtedness only.

5. Negative pledge

So long as any Note or Coupon remains outstanding, the Issuer shall not, and shall procure that none of its Material Subsidiaries will, create or permit to subsist any Security Interest (other than a Permitted Security Interest) upon the whole or any part of its undertaking, assets or revenues, present or future to secure any Indebtedness or to secure any guarantee or indemnity in respect of any Indebtedness, without, at the same time or prior thereto, according to the Notes and the Coupons:

(a) the same security as is created or subsisting to secure any such Indebtedness, guarantee or indemnity; or

(b) the benefit of such other security as either (i) the Trustee shall in its absolute discretion deem not materially less beneficial to the interest of the Noteholders or (ii) shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders, provided that, for the avoidance of doubt, in the circumstances described in Condition 4(f) (*Suspension of covenants*), any reference to the Indebtedness set out in this Condition 5 shall be construed as a reference to the DCM Indebtedness only.

6. Interest

The Notes bear interest from and including the Issue Date at the rate (the "**Rate of Interest**") of 4.125 per cent. per annum, payable annually in arrear on 3 July in each year, commencing on 3 July 2026 (the "**First Interest Payment Date**") up to and including the Maturity Date (each an "**Interest Payment Date**"). The amount of interest payable on each Interest Payment Date will amount to €41.25 per Calculation Amount.

Each Note will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused. In such event it shall continue to bear interest at such rate (both before and after judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant holder, and (b) the day which is seven days after the Trustee or the Principal Paying Agent has notified Noteholders of receipt of all sums due in respect of all the Notes up to that seventh day.

Where interest is to be calculated in respect of a period which is equal to or shorter than an Interest Period, the day-count fraction used will be the number of days in the Relevant Period, from and including the date from which interest begins to accrue to but excluding the date on which it falls due, divided by the number of days in the Interest Period in which the Relevant Period falls (including the first such day but excluding the last).

Interest in respect of any Note shall be calculated per Calculation Amount. The amount of interest payable per Calculation Amount for any period shall be equal to the product of 4.125 per cent., the Calculation Amount and the day-count fraction for the Relevant Period, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

7. Redemption and Purchase

(a) **Final redemption:** Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount on 3 July 2031 (the "**Maturity Date**"). The Notes may not be redeemed at the option of the Issuer other than in accordance with this Condition.

(b) **Redemption for taxation reasons**: The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their principal amount, (together with interest accrued to the date fixed for redemption), if (i) the Issuer satisfies the Trustee immediately prior to the giving of such notice that it has or will become obliged to pay additional amounts as provided or referred to in Condition 9 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Republic of Italy or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this Condition 7(b), the Issuer shall deliver to the Trustee (A) a certificate signed by a duly authorised director of the Issuer stating that the obligation referred to in (i) above cannot be avoided by the Issuer taking reasonable measures available to it and (B) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will be obliged to pay such additional amounts as a result of such change and the Trustee shall be entitled to accept such certificate and legal opinion as sufficient evidence of the satisfaction of the condition precedent set out in (ii) above, in which event it shall be conclusive and binding on the Noteholders and the Couponholders.

(c) **Redemption at the option of Noteholders upon a Change of Control**: If a Change of Control occurs, the holder of each Note will have the option (a **"Put Option"**) (unless, prior to the giving of the relevant Put Event Notice (as defined below), the Issuer has given notice of redemption under Condition 7(b) (*Redemption for taxation reasons*)) to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) that Note on the Put Date (as defined below) at 100 per cent. of its principal amount together with (or, where purchased, together with an amount equal to) interest (if any) accrued to (but excluding) the Put Date.

Promptly upon the Issuer becoming aware that a Change of Control has occurred, the Issuer shall, and, at any time upon the Trustee becoming similarly so aware, the Trustee may, and, if so directed by an Extraordinary Resolution of the Noteholders, shall (subject in each case to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction), give notice (a **"Put Event Notice"**) to the Noteholders in accordance with Condition 17 (*Notices*) specifying the nature of the Change of Control and the procedure for exercising the Put Option.

To exercise the Put Option, the holder of a Note must deliver such Note to the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the period (the **"Put Period"**) of 30 days after a Put Event Notice is given, accompanied by a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of any Paying Agent (a **"Put Notice"**). The Note should be delivered together with all Coupons appertaining thereto maturing after the date which is seven days after the expiration of the Put Period (the **"Put Date"**), failing which, the Paying Agent will require payment from or on behalf of the Noteholder of an amount equal to the face value of any such missing Coupon. Any amount so paid will be reimbursed to the Noteholder against presentation and surrender of the relevant missing Coupon (or any replacement therefor issued pursuant to Condition 12 (*Replacement of Notes and Coupons*)) at any time after such payment, but before the expiry of the period of five years from the date on which such Coupon would have become due, but not thereafter. The Paying Agent to which such Note and Put Notice are delivered will issue to the Noteholder concerned a non-transferable receipt in respect of the Note so delivered. Payment in respect of any Note so delivered will be made, if the holder duly specified a bank account in the Put Notice to which payment is to be made, on the Put Date by transfer to that bank account and, in every other case, on or after the Put Date against presentation and surrender or (as the case may be) endorsement of such receipt at the specified office of any Paying Agent. A Put Notice, once given, shall be irrevocable. For the purposes of these Conditions, receipts issued pursuant to this Condition 7(c) shall be treated as if they were Notes. The Issuer shall redeem or purchase (or procure the purchase of) the relevant Notes on the Put Date unless previously redeemed (or purchased) and cancelled.

If 85 per cent. or more in principal amount of the Notes then outstanding has been redeemed or purchased pursuant to this Condition 7(c), the Issuer may, on giving not less than 30 nor more than 60 days' notice to the Noteholders (such notice being given within 30 days after the Put Date), redeem or purchase (or procure the purchase of), at its option, all but not some only of the remaining outstanding Notes at their principal amount, together with interest accrued to (but excluding) the date fixed for such redemption or purchase.

The Trustee is under no obligation to ascertain whether a Change of Control or any event which could lead to the occurrence of, or could constitute, a Change of Control has occurred and, until it shall have actual knowledge or express notice pursuant to the Trust Deed to the contrary, the Trustee may assume that no Change of Control or other such event has occurred.

(d) **Redemption at the option of the Issuer**:

(A) **Redemption at the option of the Issuer at any Optional Redemption Date**: Unless a Put Event Notice has been given pursuant to Condition 7(c) (*Redemption at the option of Noteholders upon a Change of Control*) above, the Issuer may, at any time prior to 3 January 2031, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 17 (*Notices*) (which notice shall be irrevocable and shall specify the date fixed for redemption (the **"Optional Redemption Date"**)), redeem all, but not some only, of the Notes at a redemption price per Note equal to the higher of the following, in each case together with interest accrued to but excluding the Optional Redemption Date:

(i) 100 per cent. of the principal amount of the Note; and

(ii) the sum of the then current values of the remaining scheduled payments of principal and interest of the Notes (not including any interest accrued on the Notes to, but excluding, the Optional Redemption Date), discounted to the Optional Redemption Date on an annual basis (based on the actual number of days elapsed divided by 365 or (in the case of a leap year) by 366) at the Reference Bond Rate (as defined above) plus 0.50 per cent., in each case as determined by the Reference Dealers.

(B) **Redemption at the option of the Issuer on an Optional Redemption Date falling 6 months or less prior to the Maturity Date**: Unless a Put Event Notice has been given pursuant to Condition 7(c) (*Redemption at the option of Noteholders upon a Change of Control*) above, the Issuer may, at any time after 3 January 2031, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 17 (*Notices*) (which notice shall be irrevocable and shall specify the Optional Redemption Date), redeem all, but not some only, of the Notes at 100 per cent. of their principal amount, together with interest accrued to but excluding the Optional Redemption Date.

(e) **No other redemption**: The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 7(b), 7(c) (*Redemption at the option of Noteholders upon a Change of Control*) and 7(d) (*Redemption at the option of the Issuer*).

(f) **Notice of redemption**: All Notes in respect of which any notice of redemption is given under this Condition shall be redeemed on the date specified in such notice in accordance with this Condition.

(g) **Purchase:** The Issuer and its Subsidiaries may at any time purchase Notes in the open market or otherwise at any price (provided that, if they should be cancelled under Condition 7(h) (*Cancellation*) below, they are purchased together with all unmatured

Coupons relating to them). The Notes so purchased, while held by or on behalf of the Issuer or any such Subsidiary, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of these Conditions and the Trust Deed. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to the Paying Agent for cancellation.

(h) **Cancellation**: All Notes which are (i) purchased by or on behalf of the Issuer or any such Subsidiary and surrendered for cancellation or (ii) redeemed, and any unmatured Coupons attached to or surrendered with them, will be cancelled and may not be re-issued or resold.

8. Payments

(a) **Method of payment:** Payments of principal and interest will be made against presentation and surrender (or, in the case of a partial payment, endorsement) of Notes or the appropriate Coupons (as the case may be) at the specified office of any Paying Agent by transfer to a Euro account specified by the payee with a bank in a city in which banks have access to the TARGET System. Payments of interest due in respect of any Note other than on presentation and surrender of matured Coupons shall be made only against presentation and either surrender or endorsement (as appropriate) of the relevant Note.

(b) **Payments subject to fiscal laws:** All payments are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 9 (*Taxation*). No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(c) **Surrender of unmatured Coupons:** Each Note should be presented for redemption together with all unmatured Coupons relating to it, failing which, the amount of any such missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal amount due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relevant missing Coupon not later than 10 years after the Relevant Date (for the relevant payment of principal in respect of the relevant Note).

(d) **Payments on business days**: A Note or Coupon may only be presented for payment on a day which is a business day in the place of presentation and, in the case of payment by credit or transfer to a Euro account as described above, is a TARGET Settlement Day. No further interest or other payment will be made as a consequence of the day on which the relevant Note or Coupon may be presented for payment under this Condition 8 falling after the due date.

(e) **Paying Agents:** The initial Paying Agents and their initial specified offices are listed in the Paying Agency Agreement. The Issuer reserves the right at any time with the approval of the Trustee to vary or terminate the appointment of any Paying Agent and appoint additional or other Paying Agents, provided that it will maintain (i) a Principal Paying Agent and (ii) Paying Agents having specified offices in at least two major European cities in a jurisdiction other than Italy approved by the Trustee.

9. Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as will result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon:

(a) presented for payment in the Republic of Italy; or

(b) presented for payment by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of his having some connection with any Relevant Jurisdiction other than the mere holding of the Note or Coupon; or

(c) presented for payment by, or on behalf of, a holder who is entitled to avoid such withholding or deduction in respect of the Note or Coupon by making, upon written request of the Issuer or the Paying Agents, a declaration or any other statement to the relevant tax authority, including, but not limited to, a declaration of residence or non-residence or other similar claim for exemption, and fails to do so in due time; or

(d) in the event of payment to a non-Italian resident legal entity or a non-Italian resident individual, to the extent that interest or other amounts are paid to a non-Italian resident legal entity or a non-Italian resident individual which is resident in a country which does not allow for a satisfactory exchange of information with the Italian authorities; or

(e) on account of *imposta sostitutiva* pursuant to Legislative Decree No. 239 of 1 April 1996 (as, or as may subsequently be, amended or supplemented) and related regulations of implementation which have been, or may subsequently be, enacted ("**Decree 239**") with respect to any Note or Coupon, including all circumstances in which the procedures to obtain an exemption from imposta sostitutiva or any alternative future system of deduction or withholding set forth in Decree 239, have not been met or complied with, except where such procedures have not been met or complied with due to the actions or omissions of the Issuer or its agents.

For the avoidance of doubt, notwithstanding any other provision of the Conditions, any amounts to be paid on the Notes by or on behalf of the Issuer will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), or otherwise imposed pursuant to Sections 1471 to 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a "**FATCA Withholding**"). Neither the Issuer nor any other Person will be required to pay any additional amounts in respect of FATCA Withholding.

10. Events of Default

If any of the following events occurs, the Trustee, at its discretion, may, and, if so directed by an Extraordinary Resolution, shall (subject in each case to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction), give notice to the Issuer that the Notes are, and they shall immediately become, due and payable at their principal amount together (if applicable) with accrued interest:

(a) **Non payment:** the Issuer fails to pay the principal of, or any interest on, any of the Notes when due, and such failure continues for a period of seven business days; or

(b) **Breach of other obligations:** the Issuer does not perform or comply with any one or more of its other obligations in the Notes or the Trust Deed, which default is incapable of remedy or, if, in the opinion of the Trustee, capable of remedy, is not, in the opinion of the Trustee, remedied within 60 days after notice of such default shall have been given to the Issuer by the Trustee; or

(c) **Cross-default:** (i) any other present or future indebtedness of the Issuer or any of its Material Subsidiaries for or in respect of moneys borrowed or raised (other than the Project Indebtedness) becomes due and payable prior to its stated maturity by reason of any actual or potential default or event of default (howsoever described), or (ii) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (iii) the Issuer or any of its Material Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised, provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 10(c) have occurred equals or exceeds €50,000,000 or its equivalent; or

(d) **Enforcement proceedings**: a distress, attachment, execution or other legal process is levied, enforced or sued out on or against any part of the property, assets or revenues of the Issuer or any of its Material Subsidiaries (excluding, for the purposes of this Condition 10(d), any Material Subsidiary which is also a Project Company) having an aggregate value of at least €50,000,000 or its equivalent unless such distress, attachment, execution or other legal process (i) is being disputed in good faith with a reasonable prospect of success as confirmed by an opinion of independent legal advisers of recognised standing or (ii) is discharged or stayed within 60 days; or

(e) **Security enforced:** any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any of its Material Subsidiaries (excluding, for the purposes of this Condition 10(e), any Material Subsidiary which is also a Project Company) having an aggregate value of at least €50,000,000 or its equivalent becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar Person) unless discharged or stayed within 60 days; or

(f) **Insolvency:** an Insolvency Event occurs in relation to either the Issuer or any of its Material Subsidiaries (other than for the purposes of, or pursuant to, a Permitted Reorganisation) or the Issuer or any of its Material Subsidiaries becomes Insolvent; or

(g) **Cessation of business**: the Issuer or any of its Material Subsidiaries (excluding, for the purposes of this Condition 10(g), any Material Subsidiary which is also a Project Company) ceases or threatens to cease to carry on all or a substantial part of its business (other than for the purposes of, or pursuant to, a Permitted Reorganisation), provided that the occurrence of a Change of Control set out in Condition 7(c) (*Redemption at the option of Noteholders upon a Change of Control*) will not trigger the Event of Default set out in this Condition 10(g); or

(h) **Analogous event:** any event occurs which, under any applicable laws has an analogous effect to any of the events referred to in Conditions 10(d) (*Enforcement proceedings*) to 10(g) (*Cessation of business*) (both inclusive); or

(i) **Unlawfulness:** it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Notes or the Trust Deed.

11. Prescription

Claims in respect of principal and interest will become void unless presentation for payment is made as required by Condition 8 (*Payments*) within a period of 10 years in the case of principal and five years in the case of interest from the appropriate Relevant Date.

12. Replacement of Notes and Coupons

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent, subject to all applicable laws and stock exchange or other relevant authority requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require (provided that the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

13. Meetings of Noteholders, modification and waiver

(a) **Meetings of Noteholders**: The Trust Deed contains provisions consistent with the laws, legislation, rules and regulations of the Republic of Italy for convening meetings of the Noteholders to consider any matter affecting their interests, including any modifications of the Conditions or of any provisions of the Trust Deed. The above provisions are subject to compliance with mandatory laws, rules and regulations of the Republic of Italy in force from time to time.

The quorum and the majorities for passing resolutions at any such meetings are established by article 2415 of the Italian civil code, the Issuer's by-laws in force from time to time and, as long as the Issuer has shares listed on a regulated market of the Republic of Italy or any other EU member country regulated markets, by Legislative Decree No. 58 of 24 February 1998, as amended and implemented.

Resolutions validly passed at any meeting of the Noteholders shall be binding on all Noteholders, whether or not they are present at the meeting, and on all Couponholders. In accordance with the Italian civil code, a *rappresentante comune*, being a joint representative of Noteholders, may be appointed in accordance with article 2417 of the Italian civil code in order to represent the Noteholders' interest hereunder and to give execution to the resolutions of the meeting of the Noteholders. The *rappresentante comune* may be a person who is not a Noteholder and may be (i) a company duly authorised to carry on investment services (*servizi di investimento*) or (ii) a trust company (*società fiduciaria*). The *rappresentante comune* shall not be a director, statutory auditor or employee of the Issuer or a person who falls within one of the categories specified by article 2399 of the Italian civil code. The *rappresentante comune* is appointed by resolution passed at the Noteholders' meeting. In the event the Noteholders' meeting fails to appoint the *rappresentante comune*, the appointment is made by a competent court upon the request of one or more relevant Noteholders or the directors of the Issuer. The *rappresentante comune* shall remain in office for a period not exceeding three financial years from appointment and may be reappointed; remuneration shall be determined by the meeting of Noteholders which makes the appointment. The *rappresentante comune* shall have the powers and duties set out in article 2418 of the Italian civil code.

(b) **Modification and waiver:** The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed that, in its opinion, is of a formal, minor or technical nature or is made to correct a manifest error and (ii) any other modification, and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed that is, in the opinion of the Trustee, not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and such modification, authorisation or waiver shall be notified to the Noteholders as soon as practicable.

(c) **Entitlement of the Trustee:** In connection with the exercise of its functions (including, but not limited to, those referred to in this Condition), the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders, and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders.

14. Enforcement

At any time after the Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such steps, actions or proceedings against the Issuer as it may think fit to enforce the terms of the Trust Deed, the Notes and the Coupons, but it need not take any such steps, actions or proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least one-fifth in principal amount of the Notes outstanding, and (b) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. No Noteholder or Couponholder may proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

15. Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

The Trustee may act and rely, without liability to Noteholders or Couponholders, on a report, confirmation or certificate or any advice of any accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept, and shall be entitled to rely on, any such report, confirmation or certificate or advice, and such report, confirmation or certificate or advice shall be binding on the Issuer, the Trustee and the Noteholders.

16. Further issues

The Issuer may, from time to time, without the consent of the Noteholders or Couponholders, create and issue further securities, either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them), and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes), or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition 16 and forming a single series with the Notes. Any further securities forming a single series with the outstanding securities of any series (including the Notes) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by a deed supplemental to the Trust Deed.

17. Notices

Notices to the Noteholders shall be valid if published in a leading English language daily newspaper (which is expected to be the *Financial Times*) and, so long as the Notes are admitted to trading on the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") and it is a requirement of applicable law or regulations, a leading newspaper having general circulation in the Republic of Ireland or published on the website of Euronext Dublin (https://live.euronext.com/) or, in either case, if, in the opinion of the Trustee, such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the date of first publication (or, if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with this Condition 17.

18. Contracts (Rights of Third Parties) Act 1999

No Person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any Person which exists or is available apart from that Act.

19. Governing law

(a) **Governing law:** The Trust Deed, the Notes and the Coupons, and any non-contractual obligations arising out of or in connection with them, are governed by, and shall be construed in accordance with, English law. Condition 13(a) (*Meetings of Noteholders*) and the provisions of Schedule 3 of the Trust Deed which relate to the convening of meetings of Noteholders and the appointment of a Noteholders' representative are subject to compliance with Italian law.

(b) **Jurisdiction:** The courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Notes or the Coupons, and, accordingly, any Disputes may be brought in such courts. Pursuant to the Trust Deed, the Issuer has irrevocably submitted to the jurisdiction of such courts and, to the extent allowed by law, the Noteholders, the Couponholders and the Trustee may also, in respect of any Dispute or Disputes, take: (i) proceedings in any other court, provided that court would be competent to hear the Dispute pursuant to Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (recast), or the 2007 Lugano Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters; and (ii) concurrent proceedings in any number of jurisdictions identified in this Condition 19(b) that are competent to hear those proceedings.

(c) **Agent for service of process:** Pursuant to the Trust Deed, the Issuer has irrevocably appointed an agent in England to receive service of process in any Proceedings in England based on any of the Notes or the Coupons.

SUMMARY OF PROVISIONS RELATING TO THE NOTES IN GLOBAL FORM

The Notes will initially be in the form of a Temporary Global Note which will be deposited on or around the Issue Date with a common safekeeper for Euroclear and Clearstream, Luxembourg.

The Notes will be represented by the Global Notes except in certain limited circumstances described in the Permanent Global Note. The Global Notes will be deposited with a common safekeeper on behalf of Euroclear and Clearstream, Luxembourg. Except in certain limited circumstances described in the Permanent Global Note, investors will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by the Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

The Issuer will discharge its payment obligations under the Notes by making payments to or to the order of the common safekeeper for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies.

The Notes will be issued in new global note ("**NGN**") form. On 13 June 2006 the European Central Bank (the "**ECB**") announced that Notes in NGN form are in compliance with the "Standards for the use of EU securities settlement systems in ECB credit operations" of the central banking system for the Euro (the "**Eurosystem**"), provided that certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Notes in NGN form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2006 and that debt securities in global bearer form issued through Euroclear and Clearstream, Luxembourg after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN form is used.

The Notes are intended to be held in a manner which would allow Eurosystem eligibility – that is, in a manner which would allow the Notes to be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

The Temporary Global Note will be exchangeable in whole or in part for interests in the Permanent Global Note not earlier than 40 days after the Issue Date upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

The Permanent Global Note will become exchangeable in whole, but not in part, for Notes in definitive form ("**Definitive Notes**") in the denomination of €100,000 each and integral multiples of €1,000 in excess thereof, up to and including €199,000 each, at the request of the bearer of the Permanent Global Note against presentation and surrender of the Permanent Global Note to the Principal Paying Agent if Euroclear or Clearstream, Luxembourg or any alternative clearing system through which the Notes are held is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business.

So long as the Notes are represented by a Global Note and the relevant clearing system(s) so permit, the Notes will be tradeable only in the minimum authorised denomination of €100,000 and higher integral multiples of €1,000, notwithstanding that no Definitive Notes will be issued with a denomination above €199,000.

As the Notes have a denomination consisting of the minimum denomination plus a higher integral multiple of amounts which are integral multiples of €1,000, up to a maximum of €199,000, it is possible that the Notes may be traded in amounts in excess of €100,000 (or its equivalent) that are not integral multiples of €1,000 (or its equivalent). In such case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum denomination may not receive a Definitive Note in respect of such holding (should Definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to the minimum denomination.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons attached, in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Principal Paying Agent within 30 days of the occurrence of the relevant Exchange Event.

In addition, the Temporary Global Note and the Permanent Global Note will contain provisions which modify the Terms and Conditions of the Notes as they apply to the Temporary Global Note and the Permanent Global Note. The following is a summary of certain of those provisions:

Payments: All payments in respect of the Temporary Global Note and the Permanent Global Note will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Temporary Global Note or (as the case may be) the Permanent Global Note to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Temporary Global Note or (as the case may be) the Permanent Global Note, the Issuer shall procure that the payment is entered *pro rata* in the records of Euroclear and Clearstream, Luxembourg.

Payments on business days: In the case of all payments made in respect of the Temporary Global Note and the Permanent Global Note Condition 8(d) (*Payments on business days*) shall not apply, and all such payments shall be made on a day on which the TARGET System is open.

Redemption of the option of the Issuer: In order to exercise the option contained in Condition 7(d) (*Redemption at the option of the Issuer*) the Issuer shall give notice to the Noteholders and the relevant clearing system (or procure that such notice is given on its behalf) within the time limits set out in and containing the information required by that condition and Condition 7(f) (*Notice of redemption*).

Exercise of put option: In order to exercise the option contained in Condition 7(c) (*Redemption at the option of Noteholders upon a Change of Control*) the bearer of the Permanent Global Note must, within the period specified in the Conditions for the deposit of the relevant Note and put notice, give written notice of such exercise to the Principal Paying Agent specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

Notices: Notwithstanding Condition 17 (*Notices*), while all the Notes are represented by the Permanent Global Note (or, as the case may be, by the Permanent Global Note and/or the Temporary Global Note) and the Permanent Global Note is (or, as the case may be, the Permanent Global Note and/or the Temporary Global Note are) held on behalf of Euroclear or Clearstream, Luxembourg or an alternative clearing system, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and Clearstream, Luxembourg or such alternative and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 17 (*Notices*) on the date of delivery to Euroclear and Clearstream, Luxembourg except that, for so long as such Notes are admitted to trading on Euronext Dublin and it is a requirement of applicable law or regulations, such notices shall be published on the website of Euronext Dublin (https://live.euronext.com/).

ESTIMATED NET AMOUNT AND USE OF PROCEEDS

The net proceeds of the issuance of the Notes, expected to amount to €445,950,000 after deduction of the commissions, will be used by the Issuer for repayment of existing indebtedness (which may include indebtedness provided by some or all of the Managers), including early redemption and/or the repurchase (pursuant to the Tender Offer (as defined below)) of the Issuer's (i) €750,000,000 5.875 per cent. Notes due 15 December 2025 (ISIN: XS2271356201) (in a principal amount outstanding of €180,011,000) (the "**2025 Notes**") and (ii) €400,000,000 3.875 per cent. Sustainability-linked Notes 28 July 2026 (ISIN: XS2437324333) (in a principal amount outstanding of €217,545,000) (the "**2026 Notes**") and for general corporate purposes of the Group (See "*Description of the Issuer – Recent Developments – Tender Offer*").

Actual amounts will vary from estimated amounts depending on several factors, including estimated costs, fees and expenses.

DESCRIPTION OF THE ISSUER

OVERVIEW

Webuild Società per azioni or Webuild S.p.A. ("**Webuild**" or the "**Issuer**") is the parent company of the Webuild group of companies (the "**Webuild Group**" or the "**Group**"). The Issuer originated from the reverse merger of Salini S.p.A. into Impregilo S.p.A. and the denomination of the company resulting from the said merger (i.e., Salini Impregilo S.p.A.) was changed, with effect from 15 May 2020, to Webuild S.p.A. (see "*History and Development*").

The registered and head office of the Issuer is located in Rozzano (Italy), Centro Direzionale Milanofiori Strada 6 - Palazzo L, telephone No. +39 02.444.22111. The Issuer is incorporated under the laws of the Republic of Italy and it is registered with the Register of Companies of Milan-Monza-Brianza-Lodi under No. 00830660155 - VAT No. 02895590962. The Legal Entity Identifier (LEI) of the Issuer is 549300UKR289DF4UXQ47. Pursuant to Article 5 of its by-laws, the duration of the Issuer is until 31 December 2050, which may be extended by resolution of the shareholders' meeting.

Webuild is a global player in the construction of large, complex infrastructures (including dams and hydroelectric plants, hydraulic works, railways, subways, airports and highways as well as hospitals and civil and industrial construction) for the sustainable mobility, hydropower, water and green buildings sectors, supporting clients in pursuing the United Nations' Sustainable Development Goals (SDGs). It has a track record that includes more than 14,539 kilometres of rail and metro lines, 3,462 kilometres of tunnels, approximately 82,577 kilometres of motorways and roads, 1,022 kilometres of bridges and viaducts and 318 dams and hydro plants.

Webuild Group operates in around 50 countries throughout the world, with over 120 years of experience in the construction industry, 92,000 people employees both direct and indirect, 60 offices worldwide, 148 ongoing projects, focusing on its operations in Italy, Australia, Europe, North America and Middle East. Its customers primarily consist of public sector entities, although the Group also works with private companies such as, for example, grid operators and holders of concessions.

Within the Webuild Group, the Issuer is an operating company and is active prominently in the construction business, although it also acts as concessionaire in relation to certain projects.

The issued and paid-in share capital of the Issuer as of the date of the Offering Circular is €600,000,000, divided into 1,019,268,439 shares with no par value, comprising 1,017,652,948 ordinary shares and 1,615,491 savings shares. The share capital referred to above is the result of (i) a share capital increase which was resolved by the Issuer's Board of Directors on 6 and 7 November 2019, in the exercise of the delegation of power which was conferred by the extraordinary shareholders' meeting dated 4 October 2019, pursuant to Article 2443 of the Italian Civil Code (see "*Recent Developments – Capital Increase*"), (ii) the partial proportional demerger of Astaldi in favour of the Issuer and the consequent issue of 107,771,755 new ordinary shares of the Issuer, without any change to the amount of the nominal capital (see "*The Astaldi Transaction*" below) and (iii) issuance of 3,640,923 ordinary shares in favour of the owners of "Warrant Webuild S.p.A. 2020-2030" (Antidilutive Warrants issued in the context of the project of partial proportional Demerger of Astaldi S.p.A. in favour of Webuild and in accordance with the resolution of the Extraordinary Shareholders' Meeting of the Company held on 30 April 2021), (iv) issuance of 13,493,061 ordinary shares in favour of the owners of "Warrant Webuild S.p.A. 2021-2023" (Lender Warrants issued in the context of the project of partial proportional Demerger of Astaldi S.p.A. in favour of Webuild and in accordance with the resolution of the Extraordinary Shareholders' Meeting of the Company held on 30 April 2021) (v) issuance of 574,518 ordinary shares in favour of Unexpected Creditors (as defined in the project of partial proportional Demerger of Astaldi S.p.A. in favour of Webuild and in accordance with the resolution of the Extraordinary Shareholders' Meeting of the Company held on 30 April 2021). The Issuer's shares are listed and traded on the Euronext Milan (EXM), the Italian screen-based trading system organised and managed by Borsa Italiana S.p.A. As at

17 June 2025, the Issuer's market capitalization was approximately €3.5 billion. For a description of the Group's business, see "*Business Overview*".

The table below sets forth the Issuer's long-term ratings, assigned by Standard & Poor's and Fitch Ratings, as at 17 June 2025:

Agency	**Long Term**	**Outlook**	**Last update**
Standard & Poor's	BB	Positive	11 July 2024
Fitch Ratings	BB+	Stable	30 May 2025

Salini S.p.A. (the "**New Salini**"), fully owned subsidiary (incorporated on 5 November 2021) of Salini Costruttori S.p.A. ("**Salini Costruttori**"), is the Issuer's controlling shareholder. Salini Costruttori directs and co-ordinates the activities of the Issuer pursuant to Articles 2497 et seq. of the Italian civil code (see "*Principal Shareholders – Controlling shareholder*"). On 30 May 2024, New Salini issued EUR 225 million secured bonds exchangeable into ordinary shares of the Issuer and, in the context of such issuance, it entered into a stock lending arrangement with BofA Securities Europe SA in respect of up to approximately 86.5 million Issuer's ordinary shares, representing approximately 8.5 per cent. of the issued share capital of the Issuer. Following the implementation of the above referred transaction, as of 30 September 2024, based on the Issuer's corporate records and other available public information, the New Salini owned 39.16% per cent. of the Issuer's ordinary shares, corresponding to 48.38% per cent. of the voting rights.

HISTORY AND DEVELOPMENT

The Issuer is the entity resulting from the reverse merger of Salini S.p.A. ("**Salini**") into Impregilo S.p.A. ("**Impregilo**"), which became effective on 1 January 2014. The company resulting from the said merger (i.e., Salini Impregilo S.p.A.) subsequently changed its name into Webuild S.p.A. on 15 May 2020.

Salini

Salini was incorporated on 6 December 2011 by Salini Costruttori, a company incorporated on 7 February 1972, which primarily focused on construction, both in Italy and abroad, but also operated in real estate management. Effective from 1 January 2012, Salini Costruttori contributed its construction business unit to Salini, while retaining its real estate management business.

Impregilo

Impregilo was historically one of the leading Italian construction companies active in the design and construction of large-scale infrastructure works in Italy and abroad, including highways, ports, hydraulic works and railways. Impregilo originated from the combination of four Italian companies, Girola S.p.A. ("**Girola**"), Lodigiani S.p.A. ("**Lodigiani**"), Imprese Italiane all'Estero-Impresit S.p.A. ("**Impresit**") and Cogefar Costruzioni Generali S.p.A. ("**Cogefar**"). These companies were historically active in domestic construction, in particular in the period between the First and the Second World Wars. In 1959, Girola, Lodigiani and Impresit incorporated a new company, named Impresit-Girola-Lodigiani (Impregilo) S.p.A., with the aim of co-operating on a continuous basis on the construction of large hydroelectric and hydraulic plants outside Italy. In 1989, Impresit was merged into Cogefar and, in 1994, the combined entity, in turn, merged with Impresit – Girola – Lodigiani (Impregilo) S.p.A. and was renamed Impregilo S.p.A. Following these transactions FIAT S.p.A. (now Stellantis NV) was the main shareholder. The ordinary and savings shares of Impregilo were listed on the Italian stock exchange.

Merger between Salini and Impregilo

Between September 2011 and December 2012, Salini built a stake of 29.8% in Impregilo. In April 2012, Salini announced its plan to promote the creation of a "national champion", outlining the ultimate goal of merging Salini's and Impregilo's businesses.

In July 2012, at a shareholder' meeting of Impregilo convened by Salini and as a result of a proxy solicitation targeting its minority shareholders, Salini obtained approval from Impregilo's shareholders to replace Impregilo's Board of Directors with new directors designated by Salini.

Between February and May 2013, Salini launched and completed a voluntary public tender offer for all the outstanding ordinary shares of Impregilo, as a result of which Salini came to hold approximately 92.8% of Impregilo's voting capital. Finally, Salini was subject to a reverse-merger into Impregilo and Impregilo (as the surviving entity) changed its name to "Salini Impregilo S.p.A.".

Acquisition of Lane Industries

On 4 January 2016, the Group completed the acquisition of the entire share capital of Lane Industries Inc. ("**Lane**"), a private company incorporated under the laws of the United States of America, with its registered offices in Cheshire, Connecticut. Lane, in turn, is the parent company of The Lane Construction Corporation.

The Lane acquisition was implemented by the Issuer with the aim of expanding business in the U.S. infrastructures market and with a view to enabling the Webuild Group to create a local commercial platform from which it can access a larger pool of projects.

Division Disposal by Lane

In December 2018, Lane completed the sale to Eurovia SAS of its division operating in the business of asphalt production and pavement for a provisional price (subject to price adjustment) of USD 573.6 million. This transaction was to further the Group's strategy to focus on its core construction activities and dispose of its non-core assets.

Capital Increase

On 6 November 2019, the Board of Directors of Webuild resolved to exercise the mandate given by the extraordinary shareholders' meeting of 4 October 2019 pursuant to Article 2441(5) and Article 2443 of the Italian civil code and approved the launch of a non–divisible capital increase of €600 million with the exclusion of pre-emptive subscription rights to existing shareholders (the "**Capital Increase**").

On 7 November 2019, Webuild launched an offering (the "**Global Offering**") of €600 million in new ordinary shares, with no par value and with the same rights as the existing ordinary shares, by means of (i) an offering outside the United States to certain institutional investors in offshore transactions in reliance on Regulation S under the U.S. Securities Act of 1933, as amended; or (ii) an offering within the United States only to qualified institutional buyers ("QIBs") as defined in Rule 144A under the U.S. Securities Act of 1933 or another exemption from the registration requirements of the Securities Act.

The Issuer used the net proceeds from the Capital Increase principally to support Progetto Italia (see "*Recent Developments*" below) (including the Astaldi Transaction (as defined below)) and, more generally, its Business Plan.

Salini Impregilo become Webuild

In May 2020, Salini Impregilo S.p.A. changed its name to "Webuild S.p.A." (*i.e.*, the current Issuer). The shareholders' resolution to change the company's name to Webuild S.p.A., taken in the extraordinary meeting of 4 May 2020, was filed with the Milan Monza Brianza Lodi Chamber of Commerce on 15 May 2020.

Progetto Italia and the Astaldi Transaction

Progetto Italia

Progetto Italia, concluded during 2022, was an industrial project that the Issuer promoted with a view to (i) consolidating the Italian infrastructure and construction sector through the acquisition of Italian operators that represent excellence in the sector; and (ii) increasing the competitiveness of Italian companies in the international markets, by creating a larger industry player with the size, technical capacity, professional know–how and financial and economic strength to compete with the major international players on a global scale.

Parties involved in Progetto Italia

Progetto Italia involved different parties, each with a different role: Webuild as aggregator, Salini Costruttori as Webuild's controlling shareholder at that time (see also "*Principal Shareholders – Controlling shareholder – Salini Costruttori*"), CDP Equity S.p.A. ("**CDP Equity**" or "**CDPE**"), a company belonging to the Cassa Depositi e Prestiti S.p.A.'s ("**CDP**") group as a strategic partner (see also "*Principal Shareholders – Shareholders holding an interest in excess of 3 per cent.*"), Banco BPM S.p.A., Intesa Sanpaolo S.p.A. and UniCredit S.p.A. (jointly, the "**Financing Banks**") as financial partners, which provided financial support to the development of the Group's business (see also "*Principal Shareholders*").

The Astaldi Transaction

As indicated above, the main investment of the Issuer in the context of Progetto Italia has been the acquisition of a controlling stake in Astaldi, following subscription of the €225,000,000 reserved capital increase made on 5 November 2020 (the "**Astaldi Transaction**"), and the subsequent merger of the Astaldi EPC Business into Webuild, which became effective on 1 August 2021. This transaction permitted it to integrate two important companies operating in the market of the construction of large, complex infrastructure works.

Astaldi was the parent company of the Astaldi group ("**Astaldi Group**"), historically a global player in the sector of large complex infrastructures, active in Italy, Europe and Turkey, Africa, North and Latin America and the East Asia.

On 5 November 2020, the Astaldi Transaction was completed following the acquisition by Webuild, through the subscription of the €225,000,000 reserved Astaldi capital increase, of a controlling stake in Astaldi, equal to 66.101% of its share capital.

In March 2021, the Boards of Directors of Webuild and Astaldi approved a joint plan for the partial and proportional demerger of the Astaldi EPC Business, to be continued as provided for in the composition with creditors procedure with the continuation of the business of the debtor company (*procedura di concordato preventivo in continuità aziendale diretta*) to which Astaldi was admitted to by the Court of Rome, by decree issued on 5 August 2019 (the "**Astaldi Composition Arrangement**"), in favour of Webuild (the "**Demerger**").

The Demerger became effective for statutory, accounting and tax purposes on 1 August 2021.

As a result of the Demerger, (i) the Astaldi EPC Business was transferred to Webuild, and (ii) Astaldi (whose shares were delisted and whose sole shareholder is a newly established foundation) will continue to be the owner of, and to manage, the assets and legal relationships transferred to the separate unit ("**Patrimonio Destinato**") set up by it on 24 May 2020, and to pursue the disposal plan of the assets included in the Patrimonio Destinato in the interest of Astaldi's creditors, all in accordance with the Astaldi Composition Arrangement.

Within the context of the Demerger, Webuild and Astaldi also entered into a Demerger agreement to regulate, inter alia, certain commitments undertaken by Webuild, also in relation to the management of the Patrimonio Destinato, and the management of third parties claims and disputes.

Within the context of the Demerger, Webuild has:

(a) approved the issue of new ordinary shares assigned, or to be assigned, as the case may be, to Astaldi's shareholders other than Webuild, and to Astaldi's creditors in accordance with the Astaldi Composition Arrangement, using an exchange ratio of 203 ordinary Webuild shares for every 1,000 ordinary Astaldi shares;

(b) issued warrants to the holders of its ordinary shares to replace Astaldi's anti-dilutive warrants; and

(c) issued warrants to the creditor banks of Astaldi in order to replace their warrants using the ratio set out in the relevant regulation.

Cossi and Seli acquisitions

In October 2018, the Court of Rome granted Webuild the right of usufruct over the shares of Seli Overseas S.p.A., with a view to the potential acquisition of such participations, following a binding offer (subject to the fulfillment of certain conditions) submitted by the Issuer. In August 2021, Webuild definitively formalized the acquisition of 100% of the share capital of Seli Overseas S.p.A., with effects starting from 27 July 2021. The sale of such interest was made through a competitive tender process (*procedura competitiva ad evidenza pubblica*) launched in April 2021 by the judicial liquidator (*liquidatore giudiziale*) of the arrangement with creditors (*concordato preventivo*) of Grandi Lavori Fincosit S.p.A.

In March 2019, the Issuer completed the purchase of the interests in Cossi Costruzioni S.p.A. ("**Cossi Costruzioni**") held by Società Italiana Condotte d'Acqua S.p.A., which was under extraordinary administration (*amministrazione straordinaria*) and by Ferfina S.p.A., also under extraordinary administration and now hold a controlling interest of 100.0% in Cossi Costruzioni. The acquisition of Cossi Costruzioni was aimed at consolidating and developing the Group's experience in tunnel construction.

Clough Transaction

On 16 February 2023 Webuild completed the purchase of Clough Assets from Clough Voluntary Administrators ("**Clough**").

Clough is an Australian company that specializes in providing engineering, procurement, and construction services to clients. The company was established in Perth, Western Australia in 1919.

Clough's core focus is on the design and construction of complex infrastructure, particularly in the energy transition and sustainable agriculture.

The company has completed numerous projects both in Australia and internationally, ranging from the construction of LNG plants in Papua New Guinea to the development of mining infrastructure in Africa.

The final acquisition perimeter comprises: Clough's organisation, including offices, trademarks, credentials, business references, senior management and office personnel and some selected projects including the related project workforce.

This transaction allowed Webuild to bolster its organisation, engineering expertise and workforce in Australia, which is instrumental to the execution of its Australian order backlog and commercial plan, expand its local presence in the country and expand and diversify Webuild's activities in terms of operating segments by pursuing opportunities deriving from energy transition and sustainable agriculture, such as for example the production of fertilizers (e.g. urea), transmission lines and renewable energy sources.

RECENT DEVELOPMENTS

Tender Offer

On 23 June 2025, the Issuer launched a tender offer for the purchase of any and all of 2025 Notes and its 2026 Notes up to a maximum acceptance amount, such amount to be decided by the Issuer at its sole and absolute discretion, for cash at a purchase price of 100 per cent. in respect of the 2025 Notes and 101 per cent. in respect of the 2026 Notes (the "**Tender Offer**"). The deadline for the participation in the Tender Offer will expire on 30 June 2025 (the "**Expiration Deadline**") and holders who have participated in the Tender Offer prior to the Expiration Deadline and whose 2025 Notes and 2026 Notes are accepted for repurchase by the Issuer will receive the tender consideration on or about the Issue Date, subject to the Subscription Agreement (as defined in "*Subscription and Sale*" herein) remaining in full force and effect as at the Issue Date. Part of the net proceeds of the issue of the Notes may be used by the Issuer to fund the Tender Offer. See "*Estimated Net Amount and Use of Proceeds*".

Merger by incorporation of Webuild Italia S.p.A. into Webuild S.p.A.

On 23 September 2024 the Issuer announced that the project concerning the merger by incorporation of the fully owned subsidiary, Webuild Italia S.p.A. ("**Webuild Italia**"), into Webuild, approved by the Board of Directors of the two companies, was filed.

The deed for the merger was signed on 27 December 2024.

Webuild Italia's operations have been included in the company's financial statements with effect from 1 January 2024, pursuant to article 2504-bis of the Italian Civil Code. The statutory and tax effects of the merger also became effective from the same date as per article 172.9 of Presidential decree no. 917/1986.

As the merger entails the incorporation of a company wholly owned by the Issuer, pursuant to Article 2505 of the Italian Civil Code, the merger was carried out in simplified form, and therefore, in particular, without an exchange ratio, without a capital increase of the incorporating entity, and without any amendment to Webuild's By-laws.

The merger does not qualify as a related party transaction as it involved a subsidiary and no related parties of Webuild had a significant interest in the transaction. Moreover, the company was not required to publish an information document as per article 70 CONSOB regulation approved with resolution no. 11971 of 14 May 1999 as its conditions were not triggered. The effective date of the merger is 31 December 2024.

Distribution of dividend

On 16 April 2025, the shareholders' meeting of the Issuer resolved upon the distribution to shareholders of a dividend of EUR 0.081 for each existing ordinary share and EUR 0.26 for each existing savings share with the right of a dividend at the ex-dividend date. The dividend was distributed on 21 May 2025, with an ex-dividend date of 19 May 2025 (record date: 20 May 2025).

Russia-Ukraine and the Middle East Crisis

With respect to the Russia-Ukraine crisis that broke out in February 2022, the Group does not have any ongoing projects in either Russia or Ukraine.

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 2025, the Group continued its risk management activities focused on the identification and management of the repercussions of the conflicts underway and the risks and opportunities related to climate change and the energy transition.

Market trends and commercial activities

During 2024, the Group continued to invest in commercial activities and thanks to its continued efforts to scout new opportunities total new orders (not including Messina Strait bridge) were approximately €13 billion (€22.4 billion in 2023). As of 14 May 2025 new orders amount to €5 billion.

Approximately 95% of the order intake was obtained in low-risk markets such as North America, Europe (including Italy) Middle East and Australia, all of which have major development plans for infrastructure, a sector that has become more strategic in supporting economies following the geopolitical and macroeconomics turbulences and strategic lever to fight climate change.

These contracts are located in Australia (€2.3 billion), Middle East (€4.5 billion), Europe (€1.8 billion), North America (€1.5 billion), Italy (€2.6 billion) and Other Countries (€0.3 billion).

As of 14 May 2025, the Group's total pipeline of commercial activities was worth €162 billion (by geography: 7% Italy, 7% Australia, 6% North America, 11% Europe, 46% Middle East, and 24% others) and includes tenders submitted and awaiting outcome for €34.5 billion, tenders to be presented for €17.1 billion and prequalifications, monitored and planned initiatives for €110.4 billion.

Construction (including plants) backlog as of 31 December 2024 amounts to €54.3 billion (by geography related to: Italy 46%, North America 6%, Australia 18%, Europe 8%, Middle East 11%, Others 11%; by activity related to: sustainable mobility 71%, Clean Hydro Energy 13%, Clean Water 8%, Green Buildings and other 8%). In Italy, the Group intends to continue to leverage the new uptick in infrastructure investments started by the country's National Recovery and Resilience Plan and the government's understanding of the importance of promoting strategic works and creating employment. Italy is in fact making more investments in infrastructure, and specifically in the sustainability mobility sector.

Outside the Italian borders, Webuild continues to diversify into low-risk markets such as Australia, Middle East, the North America and central and northern Europe where governments plan to make new investments in infrastructure.

Company Outlook

The Issuer growth drivers are the following:

(a) execute its order backlog with strict control over cost and contract management;

(b) pursue de-risking strategies, focusing on low-risk regions and key markets with high commercial potential linked to programmes for investments in infrastructure and large works, such as those in Italy, Australia, Middle East and the United States;

(c) implement the planned operating efficiency actions, for its direct and indirect costs, thanks to the automation of back offices processes and optimisation of the organisation of branches and subsidiaries, leveraging the synergies with Clough;

(d) focus on cash generation, as a result of operating efficiencies and investments as well as asset monetisation;

(e) expand into new market segments, deploying the technical skills recently acquired with Clough;

(f) pursue sustainability objectives, favouring projects that reduce CO2 emissions and guarantee high safety standards.

Other recent developments

The most significant new construction projects acquired by the Webuild Group after 31 December 2024 are included in the section "*Principal Activities – New Projects*".

BUSINESS OVERVIEW

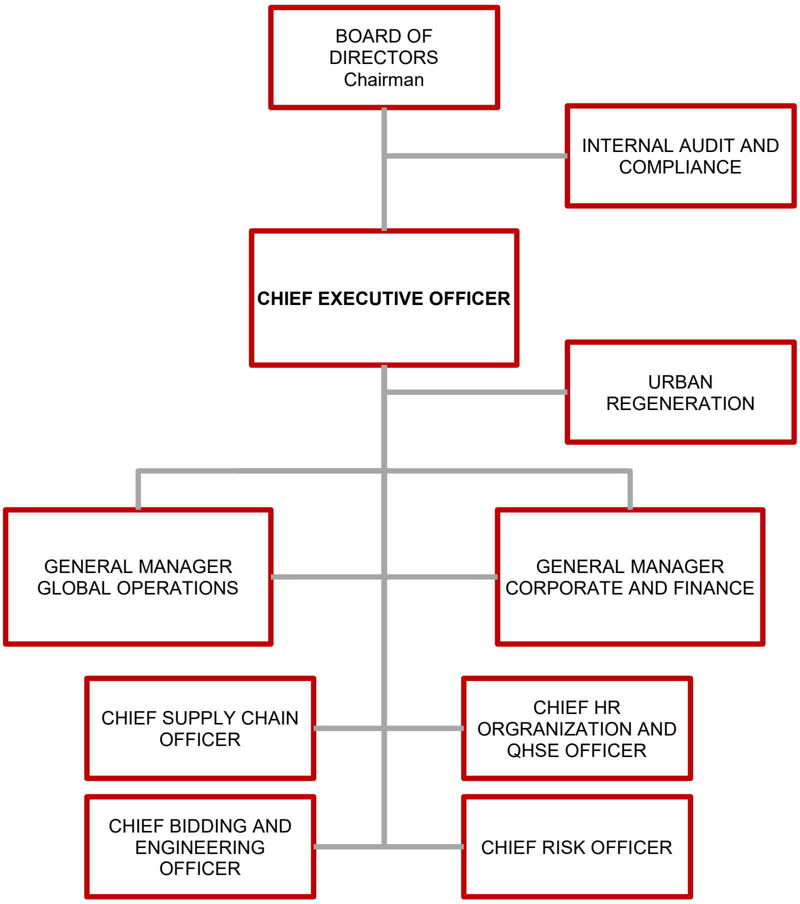
The Issuer is, by revenues, the largest Italian contractor as of 31 December 2024 and it is recognised by the Engineering News-Record (ENR) as the top contractor by revenue in the water sector and among the top contractors in the sewer/waste railway and among top 10 international player in Australia (source: ENR Report, TOP 250 International Contractor, September 16/09/2024).

Projects in the sector in which the Group operates are characterized by scale, complexities in construction and execution and/or working conditions that require high technical and engineering skills and qualifications. Examples of important ongoing projects, carried out independently by the Group or in partnership with other leading contractors, include the metropolitan transport system in Riyadh, Saudi Arabia; the "Grand Ethiopian Renaissance Dam" and the Koysha hydroelectric plant in Ethiopia; in Australia, the project to build the Sydney Metro - Western Sydney Airport Stations (Systems, Trains, Operations and Maintenance - SSTOM), and the expansion of the "Snowy Mountains Hydroelectric Scheme", a network of hydroelectric plants operating in the region called Snowy Mountains, in New South Wales; the High Capacity / High Speed railway project in the Milan–Genoa and Verona-Padua sections, in Italy; in the United States of America the projects called "Durham City-I40", in North Carolina, "Tyndall Air Force Base Zone 4" in Florida and the "Hurontario Light Rail Transit" in Canada. The Group is also involved in the construction of the Lima 2 metro line in Lima, Peru.

For the year ended 31 December 2024, the Group generated €11,957.8 million of Adjusted Revenues, €966.9 million of Adjusted EBITDA and it had a Net Financial Position including discontinued operations of €1,452.3 million as of 31 December 2024. For the year ended 31 December 2023, the Group generated €9,994.4 million of Adjusted Revenues, €818.9 million of Adjusted EBITDA and it had Net Financial Indebtedness including discontinued operations of €1,433.4 million as of 31 December 2023.

As at 31 December 2024, the Group employed a total of 41,719 employees, of which 6.857 (or 15,7%) were in Italy and 36.716, or (84,3%), were abroad.

The following chart illustrates the organisational structure of the Webuild Group.



Webuild's administrative functions are organised around its commercial activities related to executing the projects that the Group has been awarded and bidding for new ones.

Operating activities are divided into six geographical areas[1] (Europe, North Africa and Far East, Middle East, Sub-Saharan Africa, Oceania, Americas), that coordinate the execution of construction projects. Each geographical operations area is further divided into regional clusters to ensure a more effective focus at country level.

Furthermore, bidding activities are led by a central Group Bidding Department, with also a global network of local tender poles, focused in strategic areas for the group commercial plan (e.g. Australia, France, etc.).

Operating costs and projects progress are monitored by Group's headquarter functions.

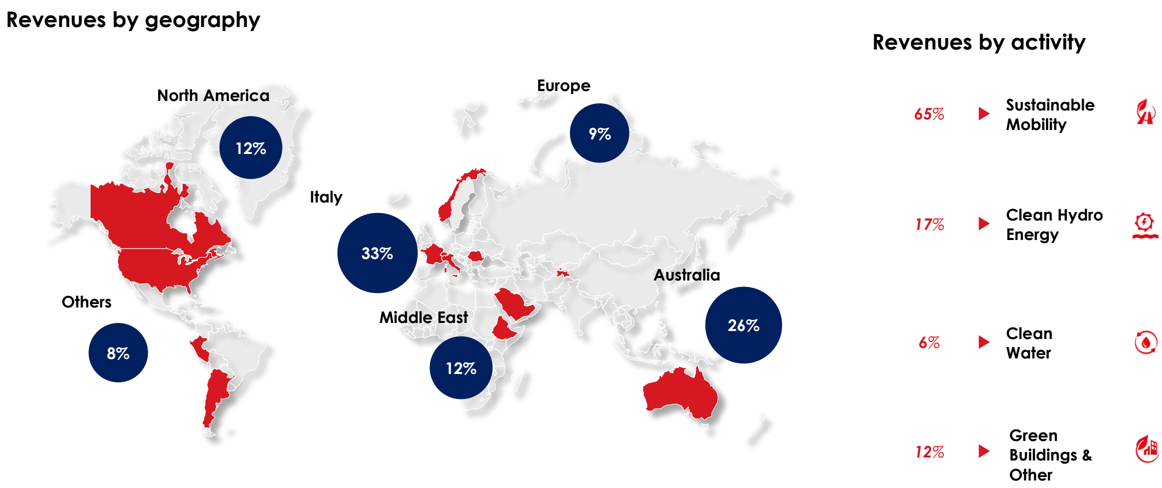
[1] Not considering special projects departments.

PRINCIPAL ACTIVITIES

The Issuer reports the Group's results according to three operating segments: (i) Italy; (ii) International; and (iii) Lane Group (which operates in the USA).

The Issuer also classifies its activities based on United Nations' Sustainable Development Goals (SDGs) (see "*Business Model*").

The following graph illustrates the Group's presence on a geographical basis and business area in terms of Adjusted Revenues as at 31 December 2024.



Source: Issuer's 2024 Audited Consolidated Financial Statements

For illustration purposes only, the Group's operations may be divided in: (i) Constructions activities, i.e., heavy civil engineering construction activities, the Group's core business, which in turn may be subdivided into four main categories (Hydroelectric Plants, Dams & Hydraulic Works; Rails & Undergrounds; Roads, Highways & Bridges; other projects); and (ii) Other activities, which includes the construction of plants, concessions and other non–construction activities.

(A) Construction Activities

The Group's core business is focused on heavy civil engineering and construction.

Set out below is a chart of the Group's primary pending construction projects by business sub-sectors in terms of backlog as of 31 December 2024. The projects that the Issuer deems most significant are described in more detailed tables on the following pages. Projects that have not commenced yet (and for which the completion percentage is 0%, (e.g., Broni Mortara (Italy), Metro B (Italy), or Porto Ancona (Italy)), or that are suspended, even indefinitely (i.e., projects in Venezuela and Libya), have not been included in this table.

As of 31 December 2024, the Group's backlog related to its Construction Activities was approximately €54.3 billion. See "*Backlog*".

Project	**Completion percentage (1)**	**Backlog (2)**
		(in € millions)
Hydroelectric plants, dams and hydraulic works		
Snowy Hydro 2.0	47.3%	4,594.2
Tojena Dam	6.8%	3,786.8
Koysha	66.2%	1,006.6
Rogun hydroelectric plant	57.0%	1,294.0
Grand Ethiopian Renaissance Dam	99.5%	115.8
New Genoa Breakwater	20.4%	912.7
Rails and undergrounds		
Verona-Padua high speed/capacity railway line (Iricav 2)	39.5%	2,985.5
Milano-Genova high speed/capacity railway line (COCIV)	59.5%	4,095.5
Apice Hirpinia high speed/capacity railway line	49.6%	517.1
Hirpinia Orsara high speed/capacity railway line	10.3%	951
High-speed Palermo - Catania - Messina railway line (Lot 2 Taormina - Giampilieri)	21.6%	894
Fiumefreddo Taormina/Letojanni high speed/capacity railway line	12.3%	663
Fortezza - Verona railway line (Fortezza - Ponte Gardena section)	9.8%	504
Hurontario Light Rail	78.2%	190
Rollin Stock System and Maintenance (RSSOM)	9.3%	368
North East Link	36.4%	1,265
SSTOM Sydney Metro	27.0%	2,218
NEOM Connector South Civil Works	15.8%	1,221
Palermo-Catania-Messina, lot 3 high speed/capacity railway line	3.6%	1,597
Palermo-Catania-Messina, Loti 1 e 2 high speed/capacity railway line	3.3%	1,278
Palermo-Catania-Messina, Lot 4 A high speed/capacity railway line	4.1%	1,179
Salerno-Reggio Calabria Hight Speed, Lotto 1 A Battipaglia-Romagnano	5.7%	1,991
Roads, highways and bridges		
Statale Jonica 106	77.1%	257
Pedelombarda	2.4%	1,509
Sibiu Pitesti Lotto 5	89.6%	64
Sibiu - Pitesti Motorway, Lot 3	4.4%	1,275
Rv.555 – The Sotra Connection	36.1%	280
Other projects		

Riyadh National Guard Military (SANG Villas)	72.5%	356
Perdaman Project	37.2%	780

(1) Represents the percentage of the works completed through 31 December 2024, calculated by applying the cost-to-cost method, according to which the percentage of completion is calculated by comparing the costs effectively incurred with the estimated contract costs.

(2) Represents the construction contract value that remains to be executed, which is reflected in the Group's backlog as of 31 December 2024. Backlog regarding related concession contracts (if any) is not included.

The following table sets forth the Group's construction backlog for each geographical area for the periods indicated:

Backlog by geographic area – Construction backlog (1)

	As of 31 December 2024		**As of 31 December 2023**	
	(in € million, except for percentages)			
Italy	**25,091.8**	***46.2%***	**25,984.3**	***47.7%***
Asia	*7,361.4*	*13.6%*	*4,245.4*	*7.8%*
Africa	*3,119.4*	*5.7%*	*4,062.0*	*7.5%*
Americas (excluding Lane)	*2,153.8*	*4.0%*	*3,012.8*	*5.5%*
Rest of Europe	*4,597.7*	*8.5%*	*4,462.0*	*8.2%*
Oceania	*9,554.7*	*17.6%*	*10,577.8*	*19.4%*
International	**26,787.0**	***49.4%***	**26,360.0**	***48.4%***
Lane Group	**2,383.6**	***4.4%***	**2,096.6**	***3.9%***
Total	**54,262.3**	***100.0%***	**54,440.9**	***100.0%***

(1) Including plants

While the Issuer's financial statements do not provide segment reporting for each of such business lines (and/or their respective sub-sectors), for purposes of this Offering Circular, a breakdown of the Group construction backlog by each of its construction sub-sectors is also provided, which the Issuer believes provides additional information useful to the reader in understanding the Group's business mix and its trends.

The following table sets forth the Group's construction backlog for each sub-sector of its Construction Activities (including Plants) for the periods indicated.

	As of 31 December 2024		**As of 31 December 2023**	
	(in € million, except for percentages)			
Hydroelectric plants, dams and hydraulic works	*11,933.1*	*22.0%*	*9,945.7*	*18.1%*
Rails and undergrounds	*27,639.2*	*50.9%*	*28,493.7*	*51.9%*
Roads, highways and bridges	*9,988.5*	*18.4%*	*10,920.2*	*19.9%*
Other projects	*4,707.6*	*8.7%*	*5,496.2*	*10.0%*
Total	**54,268.3**	**100.0%**	**54,855.8**	**100.0%**

Hydroelectric Plants, Dams & Hydraulic Works

Among the large–scale infrastructure projects carried out by the Group, the design and construction of hydroelectric plants, dams, canals, aqueducts, and underground sewer and wastewater networks plays a prominent role. As indicated above, the Group is one of the leading operators in the sector of "turnkey" water projects where in 2023 it ranks as the world's largest contractor in the water construction sector by revenue (Source: ENR Report, Top 250 International Contractors, September 16/09/2024). As of 31 December 2024, the Hydroelectric Plants, Dams & Hydraulic Works projects represented 22% of the Group's construction backlog.

The Webuild Group uses modern technology and relies on many years of experience to tackle geological or technical difficulties as well as any political, environmental and financial issues. In this respect, the Group has built many types of dams from concrete, compact concrete, earth and rocks and has successfully delivered complex hydropower plants on turnkey solutions, thus undertaking and developing design solutions aimed at being compliant and integrated with all other peculiar aspects of the project.

Examples of significant projects for the Group that have been completed include the Karahnjukar hydroelectric project in Iceland, the Gilgel Gibe I and II dams and the Gibe III (an extension of the greater complex that includes Gibe I and Gibe II) in Ethiopia, the Ponte de Pedra hydroelectric plant in Brazil and Mazar hydroelectric plant in Ecuador.

Rails & Undergrounds

The Group designs and constructs underground and above–ground railways, including high speed railways, subways/undergrounds, the related rail tunnels and other general underground projects. In particular, the activities include the design, excavation, construction, implementation, supervision and maintenance of above–ground and underground railways and other general underground projects. As of 31 December 2024, the Rails & Undergrounds projects represented 50.9% of the Group's construction backlog.

The Group has a long track record of designing and constructing tunnels, including under technically challenging conditions. In particular, the Group may rely on advanced tunnelling technologies, such as "Tunnel Boring Machines" ("**TBMs**"), which enable it to completely mechanise the tunnel excavation process, regardless of soil type, and the "New Austrian Tunnelling Method", which allows tunnelling through friable terrain.

Furthermore, the Group focuses on the design and construction of high–speed railways in Italy and abroad. Due to its reliability, energy efficiency and ecological sensitivity, many European countries have invested in high–speed railway infrastructure as a new and efficient means of transportation for long distances.

Examples of significant projects for the Group that have been completed include the high–speed railway line from Turin to Milan and from Bologna to Florence and construction of certain sections of the Copenhagen, Doha, Paris, Athens and Riyadh subways.

Roads, Highways & Bridges

The Roads, Highways & Bridges business includes the design, excavation, construction, implementation, supervision and maintenance of roads and motorways, highways and other bridges, viaducts and related structures, such as tunnels, on/off ramps, overpasses and underpasses. The Group also has advanced technological expertise in excavating and ventilating large–diameter highway tunnels, complete with lighting systems. In particular, the bridges and viaducts constructed by the Group span a range of different design specifications, such as simple projects comprising concrete beams and caissons that are prefabricated or produced ad hoc, to extremely complex projects, such as suspension and cable–stayed bridges. By way of example, the Issuer was the project leader of the Bosphorus Contractors Consortium, which was responsible for the construction of the second suspension bridge over the Bosphorus, which was completed in 1994 and responsible for the construction of San Giorgio Bridge in Genoa built in 12 months starting from delivery of the areas.

As of 31 December 2024, the Roads, Highways & Bridges projects represented 18.4% of the Group's construction backlog.

Other Projects

The Other Projects activities include projects in areas other than the Group's three principal construction business activities, such as the design and construction of civil and administrative buildings, airports, educational facilities, car parks, hospitals and industrial complexes and plants. By way of example, as of the date of this Offering Circular, the Group completed the construction of the new ENI Headquarters in Milan, the Stavros Niarchos Foundation Cultural Centre in Athens (Greece) and the Plenary Chamber for the European Parliament in Strasbourg, France, Ushuaia International Airport in Argentina and Bergamo Airport in Italy. In addition to these projects, the Group has also undertaken additional works in Europe (Switzerland), Africa and is currently building the new Genoa's Breakwater.

(B) Other Activities

In addition to Construction Activities, the Group conducts operations in plants and concessions that were historically performed and managed as separate units. "Other Activities" include: (i) Plants, and (ii) Concessions.

Plants

The Group has an historical presence in this sector and it is active in plant design, construction and operation activities, primarily constructing and operating plants for the desalination of sea water, and water treatment and sustainable waste management. Currently, these activities are of minor importance to the Group's business.

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. By way of example, the Issuer through its subsidiary Clough has recently acquired a project to build the Ceres urea plant in Western Australia.

Concessions

As of 31 December 2024, the Group had €8.9 billion ongoing concession, of which seven are in the investment phase (*i.e.* the Group is investing in the construction of the projects), eight are in operation and two in liquidation. In particular, the concession activities involve the operation, management and maintenance of public infrastructure concessions in which the Group makes equity commitments and maintains an equity or similar type of ownership interest. The Group participates in concessions as either a partner of the concessionaire company, through joint venture companies and associations executing the projects, or as a contracting party. The most significant concessions are for transport infrastructure, energy distribution systems, power distribution lines, water systems, hospitals and car parks.

The Group has been present in the concessions sector for more than 20 years. Its main concessions projects are the Metro Line 2 in Peru, western Sydney Metro Airport Stations (Systems, Trains, Operations and Maintenance - SSTOM) in Australia, North East Link (NEL) in Melbourne, Sotra Connection Project in western Norway and Ontario Line, the Rolling Stock, Systems Operation and Maintenance (RSSOM) project in Toronto. In the last few years, the Issuer has made a strategic decision to dispose of non–core assets, such as brownfield concessions (i.e., projects under concession aimed at the renovation, upgrading or expansion of existing infrastructures or the creation of infrastructures in addition to those already existing). Accordingly, since 2012, certain of these assets have been divested, in 2023 the Group reached an agreement for the sale of the entire investment in the Milan Metro Line M4 project. On the other hand, the Group also intends to continue to bid strategically on greenfield concessions (i.e., projects under concession aimed at the *ex novo* creation of infrastructures) with the aim of reaping benefits in the "Construction Activities" sector while seeking to retain the right to exit from the concession to the extent an opportunity for disposal arises, usually after the completion of the construction phase. In other words, although the Group is in the process of renewing its focus on construction operations by disposing of non–core concession assets, the Group continues to utilize concessionary structures as a means to increase its "Construction Activities" sector.

The following tables set forth the Group's main concessions in Italy and outside Italy, respectively, as of 31 December 2024.

Italy

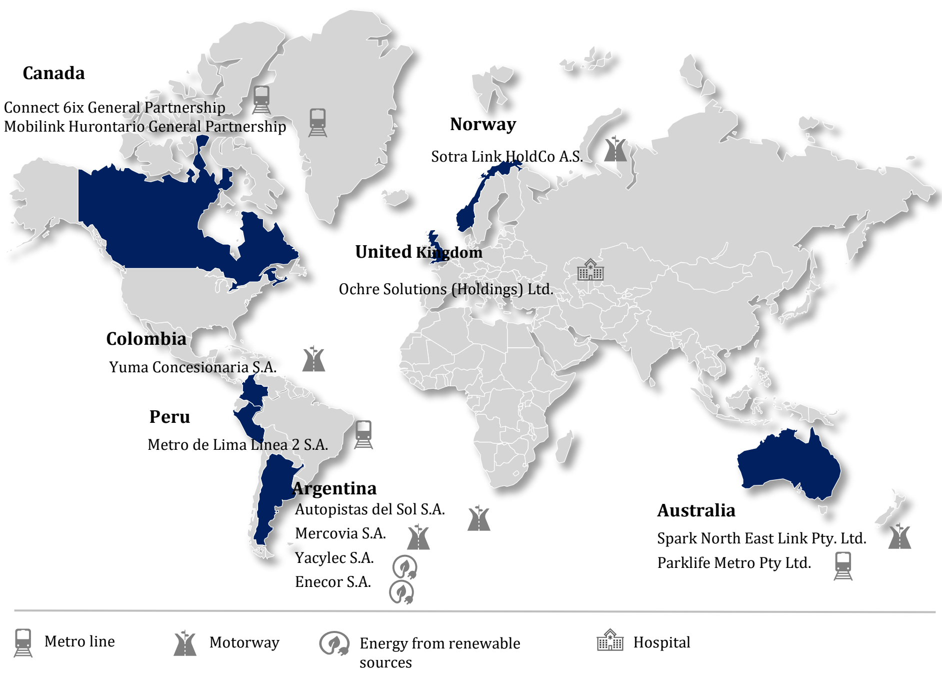
Country	**Operator**	**% of investment**	**Stage**
Highways			
Italy (Pavia)	SaBroM S.p.A. (Broni Mortara)	60.0	Not yet active
Other			
Italy (Terni)	Corso del Popolo S.p.A.	100.0	Active
Italy (Terni)	Piscine dello Stadio S.r.l.	99.7	Active

Abroad

Country	**Operator**	**% of investment**	**Stage**
Highways			
Argentina	Autopistas Del Sol	19.8	Active
Argentina	Mercovia S.A.	60.0	Active
Australia	Spark North East Link Pty Limited	7.5	Not yet active
Colombia	Yuma Concessionaria S.A. (Ruta del Sol)	48.3	Active
Norway	Sotra Link HoldCo A.S.	10.0	Not yet active
Metros			
Australia	Parklife Metro Pty Ltd	10.0	Not yet active
Canada	Hurontario Mobilinx G.P	35.0	Not yet active
Canada	Connect 6ix G. P.	10.0	Not yet active
Peru	Metro de Lima Linea 2 S.A.	18.3	Not yet active
Energy from Renewable Source			
Argentina	Yacylec S.A.	18.7	Active

Argentina	Enecor S.A.	30.0	Active
Hospitals			
Great Britain	Ochre Solutions Ltd – Oxford Hospital	40.0	Active

The chart shows the figures of the main concessions at the reporting date, broken down by geographical and business area:



Concessions in Argentina related to Puentes del Litoral S.A, and Aguas del G. Buenos Aires S.A. are in liquidation.

BUSINESS MODEL

The Group has developed its business model to optimise results in terms of quality, to comply with the customer's budget and timeline and to be economically, socially and environmentally sustainable. Its model is designed to support customers build complex infrastructure in response to the ongoing megatrends, leveraging three distinctive strategic pillars: expertise and innovation, centralised governance and sustainability. It aims to generate value shared with its shareholders, investors, customers, employees and the communities where it operates, contributing to 11 of the main UN Sustainable Development Goals ("**SDGs**").

Global challenges

Webuild's business is closely linked to the main global megatrends, such as climate change, demographic growth and the growing scarcity of water resources. They are significantly changing people's needs, influencing the priorities of public bodies and investors and modifying market competition.

Infrastructure continues to be an essential response to global challenges in a situation where it is generally accepted that the specialist know-how of large construction companies like Webuild is fundamental to developing infrastructure solutions to improve people's quality of life.

THE MAIN MEGATRENDS TO 2050(5)

-50%

REDUCTION IN GHG EMISSIONS BY 2030 TO ACHIEVE CARBON NEUTRALITY
(VS 1990)

+20/30%

RISING GLOBAL DEMAND FOR WATER
(2050 vs 2010)

+100%

GROWING URBAN POPULATION
(2050 vs 2023)

50%

PERCENTAGE OF ELECTRICAL ENERGY USED COMPARED TO GLOBAL ENERGY CONSUMPTION
(by 2050 vs 20% in 2023)

(5)Source: European Enviromental Agency – 2030 Climate target plan; The United Nations World Water Development Report 2023; The World Bank – Urban Development; The International Energy Agency

Core Business: Our performance

Webuild has a privileged position in the infrastructure sector as it is one of the few global operators with a strongly SDG-oriented core business directed towards the development and building of infrastructure that directly contributes to the achievement of the SDGs and transition to a low-carbon economy.

Ongoing or completed projects as at 31 December 2024 in the sustainable mobility sector accounted for 65% of contract revenue and 71% of the construction order backlog.

Ongoing clean hydro energy projects contributed 17% to contract revenue and make up 13% of the construction order backlog.

Completed or ongoing clean water projects made up 6% of contract revenue and 8% of the construction order backlog at 31 December 2024, while green building and other projects accounted for 12% of contract revenue and 8% of the construction order backlog.

The majority of the Group's projects are eligible under the EU taxonomy for sustainable economic activities as they make a significant contribution to mitigation and/or adaptation to climate change. Specifically, its railway, metro, light rail, hydropower and water projects in general, along with some high-performance buildings and certain road projects contribute to mitigation of climate change (i.e., the reduction of GHG emissions) while hydraulic projects mostly contribute to the adaptation to climate change (i.e., the reduction of infrastructure's vulnerability to climate change effects).

Sustainable Mobility

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
11 SUSTAINABLE CITIES AND COMMUNITIES
13 CLIMATE ACTION

SUSTAINABLE MOBILITY

€38.5 bn

ORDER BACKLOG

METROS | **RAILWAYS** | **ROADS AND MOTORWAYS** | **BRIDGES AND VIADUCTS**

Webuild is one of the key global players for sustainable urban (metros and light rail) and extra-urban (high-speed railways) transport, as well as for land (roads and motorways), sea (ports, navigable canals) and air (airports) transport infrastructure. Transport infrastructure is essential to the socio-economic development of cities and regions, reducing CO2 emissions and making travel safer. Webuild's current metro line projects alone will enable roughly 4.1 million people to travel quickly, efficiently and in an environmentally-friendly way everyday, due to their state-of-the-art infrastructure. The railway projects underway will avoid more than 6.5 million tonnes of CO2 emissions per year.

Clean Hydro Energy

The Group leads the global hydropower sector with significant experience in both construction methods (concrete, RCC and loose materials) and diverse environmental situations. 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

Webuild is a global leader in the water infrastructure sector, engaged in the entire water cycle, from its supply for drinking and irrigation uses to the end treatment of wastewater. 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 drinking water. More than 15 million people will benefit from the plants being built by Webuild Group that will be able to treat 8.8 million cubic metres of water per day.

Green Buildings

The Group has completed dozens of civil, institutional, commercial, industrial, cultural, healthcare, sporting and religious building projects. In a quickly urbanising world, designing sustainable infrastructure is essential to improving the liveability of cities for 4.5 million people. Over the years, the Group has acquired significant experience in eco design & eco construction techniques, which reduce the carbon footprint of civil and industrial buildings throughout their life cycle. (*) Including Green Buildings and Other.

New Projects

Recently awarded contracts after 31 December 2024 include the following:

- In May, Webuild signed the AUD 1.8 billion (€1.1 billion) contract for the overall amount for designing and constructing the Women and Babies Hospital in Perth, Western Australia.

Backlog

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 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 (i.e., Venezuela and Libya), 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 note 33 to the 2024 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 joint ventures not controlled by Lane Group and 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.

Project phases

The Group's categorizes project cycles in the following phases: (a) research, project selection and business development (i.e., research and assessment of prospective business opportunity), (b) management of pre-qualifications and bidding process, and (c) project execution and (d) post-construction support.

The Issuer's Business Development Department is responsible for originating projects by researching business opportunities and forthcoming tenders, taking into account, *inter alia*, a risk-analysis assessment, the expected profit margin and revenue, the technical expertise required to execute the project as well as the probability of award of such project. The Business Development Department also proposes whether the Group should bid for the project alone or with partners, based on risk assessment, size of the project and technical requirements.

The Group is awarded contracts for new projects primarily through competitive bidding processes which typically include solicitations by public announcements and invitations when short-listed for projects. In the public sector, contracts are generally awarded through tenders. In some instances, participation in the bidding process is only permitted following a pre-qualification procedure, where the bidder's eligibility to carry out the project is examined on the basis of certain parameters such as financial capability, experience, personnel and equipment. As customary, in order to participate in competitive tenders, enter into contracts with customers or guarantee performance thereunder, contractors are required to provide customers with commercial guarantees (including bid bonds, performance bonds, advance bonds, retention money bonds or other forms of guarantees).

Construction activities may be typically carried out with different management options:

(i) direct management, whereby the construction activity is performed directly by the Issuer without any third parties' involvement, regardless they are or not Group's subsidiaries;

(ii) management through consortia, joint ventures, other partnerships or limited liability entities in cooperation with other operators. As the case may be, the Issuer may hold a majority or minority stake in the relevant partnership or entity;

(iii) management through subsidiaries whose capital is entirely held by the Issuer or other Group's entities.

The first step of the execution process is to identify the project team and the project manager to execute the project. The next step is the budget approval and allocation of the resources needed to execute the project, followed by the project mobilization, which includes sourcing and contracting with suppliers and subcontractors and managing logistics.

The project is monitored on a monthly basis to ensure the Group is in line with the budget, and twice a year an in-depth analysis of each project's budget is undertaken. Where allowed by applicable law, projects are initially financed through advances on the contract price. In some countries in which the Group operates or according to certain typologies of contracts, advances may not be contractually customary or foreseen and, as a result, the Group, or the partnership involved in the project, must undertake all of the project's cost, which are recovered by the generation of cash resulting from operational activities, or through loans. The project execution process ends with the customer taking over the management of the project.

At the end of the execution phase, after the customer has taken over the project, the Group provides post construction support by conducting any contractually-agreed maintenance works and managing any claims that have arisen during the defects liability period, which is normally contractually agreed to be between 12 and 24 months.

Strategic pillars

Given the complexity of global challenges and the competitive playing field, the Group has to be agile and dynamic.

Accordingly, the Group has revisited its organisational model significantly in recent years to ensure continuous improvement and a sharper focus on expertise and innovation, centralised governance and sustainability.

<u>Expertise and innovation</u>

The large complex infrastructure sector the Group works in requires niche skills to guarantee the customisation of the processes, 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 achieved thanks to highly specialised know-how.

Webuild's track record testifies to its high level of expertise. The Group considers investments in employee upskilling and training and innovation as the main levers in its long-term sustainable growth.

The rapidity of global changes and swift development of technological innovation make it essential to meld the Group's skill set with best-in-class innovative technologies and processes to hone its competitive edge.

Innovation is a strategic tool that improves skills and processes and is an area in which the Group plans to increase its investments. It contributes to making core processes more efficient, ensuring greater optimisation of the times and costs to perform the works and the support processes. It also assists the Group's social and environmental performance because it translates into an improvement in safety conditions and a reduced impact on the environment, and, thus, on the communities where the Group operates.

Source: Issuer's 2024 Audited Consolidated Financial Statements.

Research, development and innovation initiatives take place at project and corporate level. They involve the Group's technical departments and its partners (suppliers, professionals, universities and research centres) in the development of innovative solutions to improve internal processes and develop tailored projects to meet customers' requirements right from the bidding phase. Innovation at corporate level mostly relates to the optimisation of governance, organisation and management of operations.

Centralised governance

Over the last few years, Webuild has strengthened the Group's organisational structure and this has had a profound impact on its internal culture and active involvement of all levels of decision makers and operational resources. The objective was to ensure optimal management of all core processes, from commercial planning to the bidding and execution processes.

Webuild has a centralised governance system of corporate competence centres that ensure the application of best practices and the Group's guidelines by all subsidiaries as well as optimisation of operating competencies and synergies along the entire value chain. They also monitor reputation risks and the brand's value.

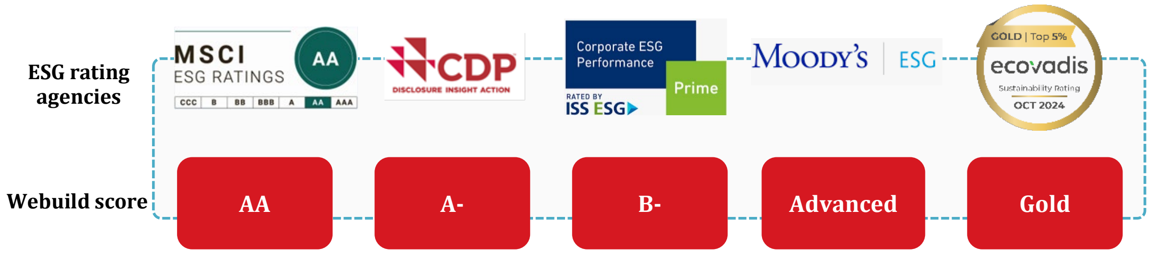
A key facilitator of the organisational re-engineering project undertaken by the Group is the Performance Dialogue tool. It allows continuous monitoring of the ongoing projects through regular debriefing sessions that involve various internal levels of the Group's organisation. The tool ensures a structured exchange of information between the resources in the field and at headquarters, shared objectives and management priorities, the definition of agreed action plans and activation of operating tools to resolve any critical issues and benefit from potential opportunities.

Webuild's organisational model has proven very resilient to external shocks, such as the Covid-19 pandemic. Its centralised oversight system and robust peripheral organisation responded promptly to the emergency, taking all measures necessary to protect employees' health, contain the diffusion of the virus and continue production activities in full compliance with the instructions of the local authorities. It made it possible for headquarters to be in constant contact with the more than 100 ongoing projects in over 50 countries around the world.

Webuild has a centralized governance system which management believes has allowed it to efficiently coordinate global communication within the Group and with its external stakeholders, particularly during the Covid-19 emergency., This has also allowed it to protect its brand equity and its reputation from risks related to the Covid-19 emergency and high profile projects such as the new Genoa Bridge. Furthermore, it expanded its target audience via digital channels and leveraged the value of the Salini Impregilo brand for the new Webuild brand. Similarly, internal communication allowed the more efficient onboarding of new hires following the inclusion of new companies in the Group as part of Progetto Italia and the development of a shared culture, necessary to achieve strategic (e.g., health safety & environment), reputation and business objectives.

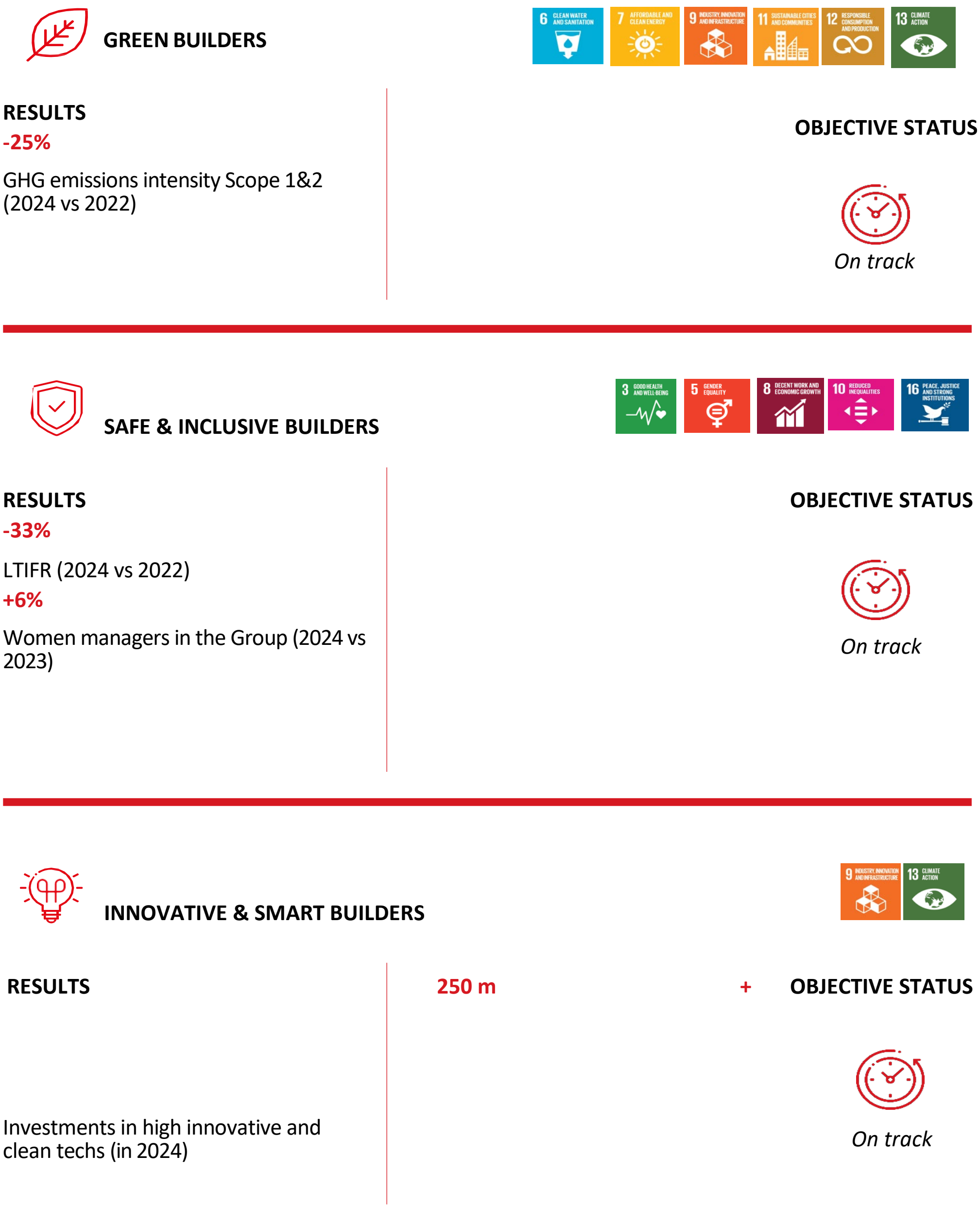
Sustainability

Webuild's growth is closely tied to the growth of the world in which it operates, which leads it to embed the principles of sustainable development into concrete actions and projects as part of its core business and internal processes. It formalises these principles in the sustainability strategy, which identifies sustainable infrastructure and sustainable work sites as two pillars representing the Group's commitment and reputation. Webuild continues to obtain solid results, with steadily improving environmental and social performance indicators and increasingly ambitious objectives in the face of global challenges. 2023 was the final year of the ESG plan rolled out in 2021 with Webuild further burnishing its sustainability credentials by achieving and exceeding all targets. Pursuing its commitment to making a real contribution to global challenges, Webuild set ambitious new objectives for 2025 at the start of 2024 setting out the path to achieve the targets. The hallmarks of the new ESG Plan's pillars are innovation, health and safety, the circular economy, digitalisation and inclusion. With this new plan, which follows on from the previous ESG plan (Green, Safety & Inclusion, Innovation) that successfully guided the Group up until the end of 2023, Webuild will continue to: (i) contribute to the transition to a low-carbon economy by investing in clean technology, improving projects' environmental sustainability during the construction phase and of the works during their utilisation; (ii) be the sector benchmark for health and safety, expertise, diversity and inclusion; and (iii) contribute to improving the sector's efficiency by investing in innovation and digitalisation. The Group made great strides forward on its ESG targets in 2024. For the third consecutive year, the Group was confirmed global leader in the actions to combat climate change by CDP (the former Carbon Disclosure Project) and was recognised for its careful and responsible water management policies. In addition, Webuild received the "Gold" rating from EcoVadis at the end of the year. The Group also continues to receive excellent ratings from other ESG rating agencies, such as MSCI ESG Ratings (AA), ISS-ESG (B- Prime) and Moody's ESG - ex Vigeo Eiris (Advanced), in addition to other recent accolades. It is also included in Borsa Italiana's MIB® ESG Index. The main ratings achieved by Webuild are as follows:



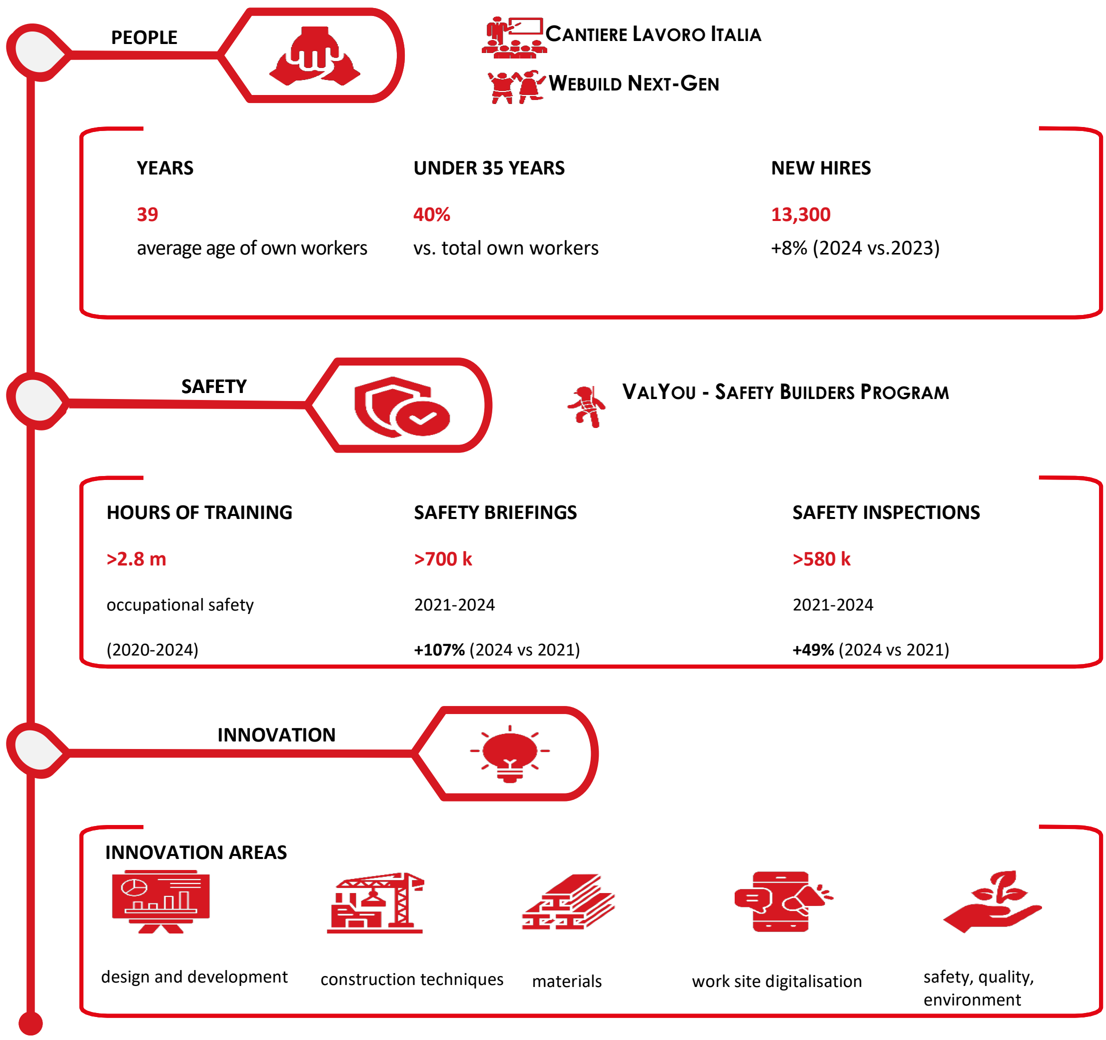
Source: Issuer's 2024 Audited Consolidated Financial Statements.

The following figure compares the results achieved in 2024:



Source: Issuer's 2024 Audited Consolidated Financial Statements.

Results: people, safety & innovazione



BUSINESS STRATEGY

The business strategy of the Webuild Group is focused on sustainable long-term growth and value creation for shareholders, the key factors of which are as follows.

Focus on core construction operations.

In contrast to many of the Group's peers who are "diversified contractors," the Group's strategy primarily consists of focusing on heavy civil engineering and construction, specializing in large, complex infrastructure projects, plants, and water and waste treatment plants, instead of activities related to concessions (which are extremely capital intensive). On the other hand, the Group also intends to continue to bid strategically on greenfield concessions that benefit its Construction Activities while seeking to retain the right to exit from these concessions to the extent an opportunity for disposal arises, usually after the completion of the construction phase.

In the context of the Covid-19 Pandemic, in April 2021, the Italian government presented its part of the "Next Generation EU" ("**NGEU**") programme. It has six missions, in line with the NGEU's six pillars:

(1) digitalisation, innovation, competitiveness, culture and tourism: to promote the country's digital transition, modernisation of its public administration, communication infrastructures and production system;

(2) green revolution and ecological transition: to foster sustainable agriculture and improve waste management capacity, to fund investment programmes and research into renewable energy sources and projects to combat hydrogeological instability;

(3) infrastructure for sustainable mobility: to consolidate and extend the national high speed railway network and enhance the regional railway system, especially in Southern Italy;

(4) education and research: to increase the places available in crèches, facilitate access to third level education, strengthen career orientation tools and revisit the recruitment and training of teachers;

(5) inclusion and cohesion: to invest in social infrastructure, consolidate labour policies and support the dual system and female entrepreneurs;

(6) health: this has two objectives, to strengthen the local prevention and health services by integrating the healthcare and social services, and modernise the National Health System's technological assets.

The Italian government revised certain procedures with Decree law no. 77 of 31 May 2021 (the Simplification-bis decree) to speed up some of the works included in the National Recovery and Resilience Plan, make public calls for tenders more transparent and improve the quality of the bidders, which must guarantee qualified and documented past experience as well as expert personnel and adequate technical equipment.

Although the size, technical requirements and bidding considerations of the Group's target projects are such that it must frequently operate through joint ventures or consortia, the Group intends to increase to the extent possible its focus on construction projects in which it has a controlling interest, or alternatively, assume the role of project leader, in order to exercise increased control over costs and efficiencies.

As part of this strategy to focus on its core construction operations, the Group also may consider the potential sale of non-core assets.

Focus on the de-risking of the Group's international footprint by expanding its presence in less risky markets.

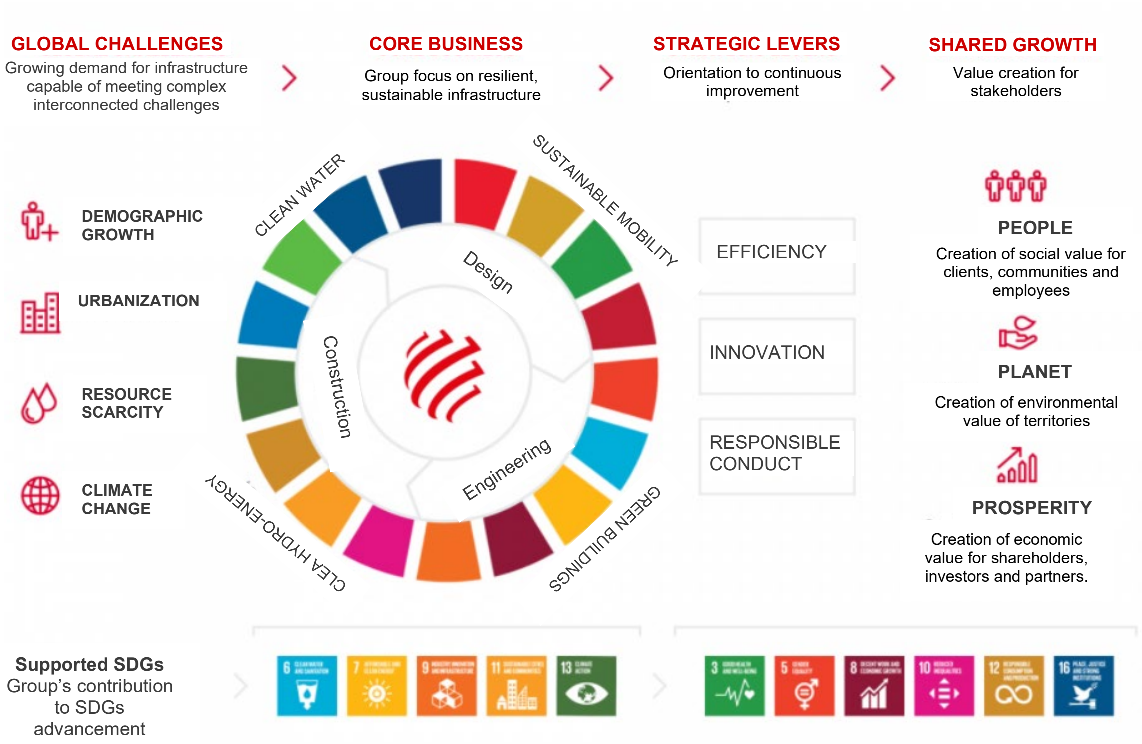
The Group intends to expand its presence in lower-risk countries (including Italy, North America, central and northern Europe, Middle East and Australia) with a high GDP and increasing infrastructure spending programs.

Strengthening presence in these core markets is also expected to allow the Group to leverage on its increased scale and reduce the exposure to risks related to specific geographical areas, although higher performance guarantee requirements in some of these markets (such as the United States, where 100% guarantees are usually required) may require additional financial resources.

Sustainable development

The Group's business model pursues the objective of combining the creation of economic value for shareholders, investors and customers with the creation of social and environmental value for customers, employees and other relevant stakeholders of the countries in which the Group operates, adopting an approach designed to create shared value in line with the Sustainable Development Goals (SDGs) defined by the United Nations.

In particular, the Issuer's Sustainability Strategy hinges on the Group's core business of providing clients and the market with infrastructures for sustainable mobility, clean hydro energy, clean water and green building solutions to global challenges. It also embodies the ethical, social and environmental responsibility policies and practices applied by the Group to protect and enhance people and the environment and to contribute to the social and economic development of the countries in which it operates.

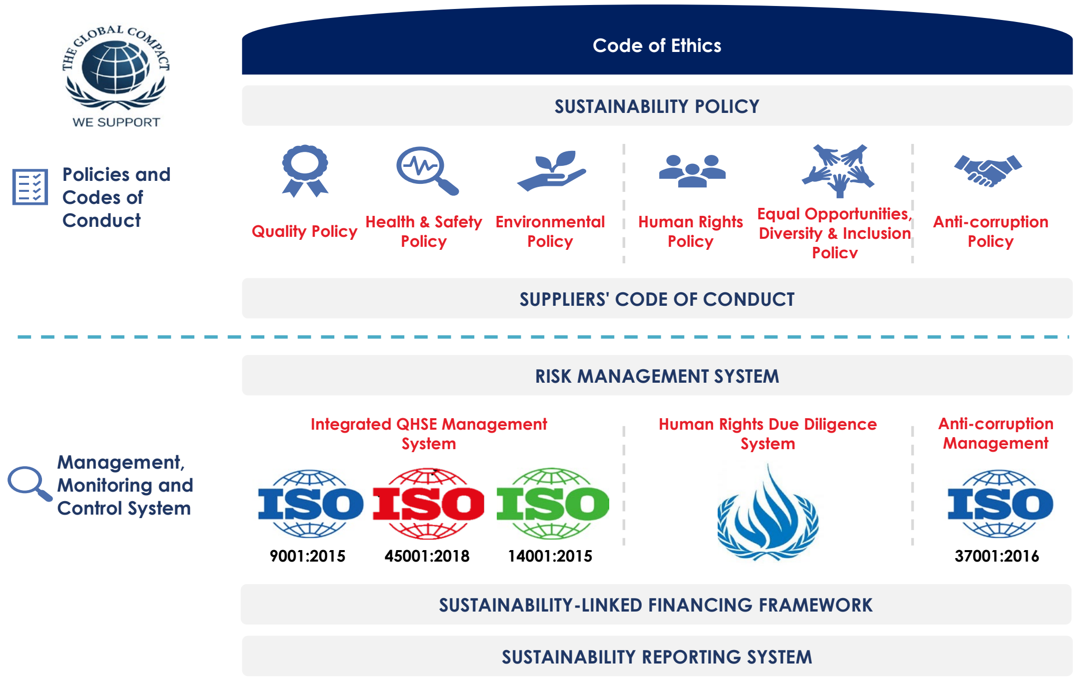


Source: Issuer's 2024 Audited Consolidated Financial Statements.

Moreover, the Issuer is a member of the United Nations Global Compact, a worldwide initiative for sustainable development, which requires a commitment to aligning strategies, policies, procedures and operations with ten universal principles relating to human rights, labour, environment and the fight against corruption, in order to not only upholding basic responsibilities to people and planet, but also setting the stage for long-term success.

The Group's Sustainability Strategy is put into practice through periodic ESG (Environmental, Social and Governance) Plans, which define specific sustainability objectives and programs to be carried out.

The Group has adopted a coordinated framework of policies and management systems designed to ensure monitoring of relevant sustainability issues, in compliance with the applicable laws and regulations in the various countries in which the Group operates, as well as with the highest ethical, integrity, social and environmental international standards and guidelines.



Source: Issuer's 2024 Audited Consolidated Financial Statements.

Starting from the fiscal year 2024, the Issuer publishes a yearly Consolidated Sustainability Statement within its Annual Report in accordance with the Corporate Sustainability Reporting Standards (CSRD) and in compliance with the European Sustainability Reporting Standards (ESRS) verified by a third-party independent auditor. In addition, the Issuer is regularly assessed by investors, specialised non-financial rating agencies, customers and other stakeholders on the Group's ESG (Environmental, Social and Governance) performance as well as included in ESG indexes.

The Quality, Health & Safety and Environment Management System

The quality, health & safety and environment management system (''QHSE System'') is a management tool used by the Group's senior management to direct and maintain and improve the expected and desired performance of the Group's projects, in order to: (i) comply with the technical requirements defined by the contract specifications; (ii) comply with Safety requirements and focus on the health and safety of employees and of those involved in the Group's projects; and (iii) comply with the Environmental requirements and reduce the environmental impact of the projects. Processes that may have an impact on the QHSE System, identified through the QHSE risk assessment, are planned, developed and monitored according to documented procedures, to the full satisfaction of the Issuer's stakeholders. The QHSE System meets the highest international standards, which allowed Webuild to obtain the renewal of its ISO 9001, ISO 14001 and ISO 45001 certifications in 2025 (expiring in 2028), as a result of the audits carried out by an independent entity.

Starting from 2024, Webuild has extended its certifications also to Social Responsibility (SA8000), Diversity and Inclusion (ISO 30415), Gender Equality (Uni PdR 125) and Traffic Road Safety (ISO 39001) in some geographical operational perimeters.

All parties with which the Group interfaces, in particular its suppliers and subcontractors, are required to comply with the Group's requirements and standards.

Environmental Matters

The Group places great importance on environmental protection and reflect its environmental sensitivity in its business operations. The approach of the Group's environment management system is based on the PDCA (Plan, Do, Check and Act) method and the continual improvement of its processes is based on objective measurement. The environmental system has been certified for EN ISO 14001 since 2007 and the Group remains committed to achieve the following objectives:

- protecting the environment and preventing environmental damage;
- guaranteeing natural resources preservation promoting materials, energy and water efficiency and circular economy approach;
- ensuring biodiversity protection;
- minimising the footprint of its operations;
- ascertaining those aspects of company's activities that can a have significant impact on the environment; and
- minimize the emission of Greenhouse Gas (GHG).

The analysis of the applicable regulatory requirements to ensure the compliance is made during all stages of a project (i.e., design, procurement, and construction). At each stage, the identification of the requirements needed for the proper performance of the work is carried out also considering the different stakeholders' expectations.

The working methods are planned and developed taking into consideration:

- the legal, regulatory and contract requirements;
- the identification of each significant environmental aspect, its impacts and the mitigation/control measures to be adopted taking into account the context, the territorial peculiarities, the technologies and the materials used and relevant best practices;
- the value creation for the territory where the infrastructure is built also throughout the value chain involvement;
- awareness and training;
- control and monitoring compliance and performance; and
- corporate targets and guidelines.

Plans, procedures and training are developed and monitored to minimize the Group's environmental impact through management of construction waste, land and soil consumption and erosion, emissions, noise and vibration, ecosystems diversity, material use, as well as the reduction of water, materials and energy and GHG consumption in a circular economy perspective and resilient approach. Information, training and education programs are promoted, with the aim of ensuring the professional development of workers, the adequate level of competence for the tasks assigned as well as awareness of the necessary environmental protection. Periodic environmental audits of the Group's project sites and head office are regularly planned and performed.

In addition, "Environmental rules" have been implemented in order to involve and share with all interested parties (internal and external such as the supply chain) the company strategy on the environmental issue, integrating the Webuild Environmental Policy. It is a set of operational and organizational rules with the aim of:

- integrating the process of cultural change;
- nourishing the active involvement of workers and the value chain;
- strengthening the sense of belonging;
- standardizing behaviours; and
- supporting the conscious adoption of the Group's Environmental Policy.

Occupational Health and Safety

The Group recognises the utmost importance of occupational health and safety protection of employees and third parties during the performance of its activities. The approach of the Group's Occupational Health and Safety Management System ("**OHS System**") is also based on the PDCA method, while the continual improvement of its processes is based on objectives measurement. The OHS System has been certified for OHSAS 18001 since 2003 and is in compliance with ISO 45001 since April 2019.

The Group implements leadership in safety programs to ensure a continuous development of the safety competencies and improvement of its performance.

Works methods are planned and developed taking into consideration:

- local legal requirements (including Legislative Decree 81/2008, as amended and integrated from time to time) and any contract requirements for the project;
- international standards, health and safety policy as well as other guidelines and procedures;
- practical and theoretical safety training; and
- monitoring compliance.

The risk assessment is made during all stages of a project (i.e., design, procurement and construction). At each stage, the identification of the requirements needed for the proper performance of the work is carried out.

Throughout the procurement process, the requirements related to the materials, machinery and equipment (i.e., handling, proper use and maintenance) are analysed and evaluated, in order to avoid the purchase of machinery and equipment not fully complying with health and safety regulations.

During the development of construction activities, the SSL System plans are reviewed to verify compliance with all applicable requirements and that all actions necessary to ensure high levels of performance have been planned and implemented.

Site visits, audits and follow-up actions are regularly performed in order to measure and assure the high performance of the implemented management system.

The Group carries on many activities focused on the dissemination of culture and safety at work; the "Safety Builders Program" is one of the most significant activities developed within the framework related to the project of improvement of the Safety leadership called "Valyou – Our Health and Safety Way"; its first aim is to foster the Safety culture, increasing and strengthening leadership skills in Safety to all managerial levels.

In addition, starting from 2019 the "Your Life Saving Rules" (straightforward set of operational and management rules) are implemented and continuously updated, which aim to:

- integrate the cultural change process initiated with the Safety Builders Program;
- nourish the active involvement of workers;
- strengthen the sense of belonging to the Group;
- standardize behaviours;
- support the conscious adoption of the Group's Health & Safety Vision.

As outlined in the company Health and Safety policy, Webuild considers respect for everyone's health and safety as an unconditional right and entrusts all employees with the task and responsibility of intervening in cases where there is a suspicion that it may be intermediate, if necessary, also by consulting their superiors.

In the past ten years, Webuild has been jointing to World Health Day promoted by the World Health Organization, with a series of initiatives aimed at all workers.

Each site in Italy and abroad participated with interest by carrying out humanitarian initiatives of great impact on the health, well-being and quality of life of workers and local communities and sharing the experiences and initiatives undertaken to promote a sustainable and inclusive corporate culture that guarantees the right to health for all.

Quality Control

Webuild has defined and implemented a Quality Management System based on the PDCA (Plan, Do, Check and Act) method and the continuous improvement of its processes is based on the measurement of objectives. The Quality Management system is EN ISO 9001 compliant with the ISO 9001 standard since the 1980s.

Planning, execution and control of production activities aims at guaranteeing that the work is carried out in compliance with the contractual and corporate expectations and regulatory constraints.

Consequently, the Group established the following main objectives for the quality control process:

- to ensure the appropriate and adequate Quality inspection/supervision and the necessary support for all activities concerning the quality of works carried out by the construction organization;
- to ensure, during works execution, the coordination of quality control activities and the results of inspections carried out in accordance with the approved quality control plans;
- to ensure the systematic recording and availability of Certificates and Test Reports for the completion of Works and /or preparation of the QA/QC dossier.

The quality control process in Webuild is then managed according to the following phases:

(a) planning: definition and scheduling of the activities to be carried out, such as: resources planning, activities coordination, checking of documents and measuring equipment, etc.;

(b) quality control during design, procurement of material and services (e.g. subcontracting);

(c) Construction: execution of quality control activities, including preliminary checks, validation of special processes, control of materials and subcontractors, inspections management and monitoring during execution;

(d) management of quality controls results and performance measurement/monitoring: output of the control activities to ascertain the compliance to the requirements, preparation and collection of certificates and the management of non-conformities;

(e) recording of quality control activities: collecting all quality documents and records for the substantial completion of the Project items relevant to the scope of work and submission of the final site QA/QC dossier to the client, made by the quality control documentation (issued on site) and all other documents prepared by different departments;

(f) improvement: set of activities aimed at increasing the capability to satisfy quality requirements in terms of work process efficiency and effectiveness, and to achieve planned results through the monitoring of quality control activities, data collection and sharing of lessons learned.

A dedicated training program called "How do We Build?" has also been implemented for Quality aspects.

Webuild's innovative training path aims to strengthen our Culture of Quality and Excellence and to reach a new level of awareness of our fundamental leadership role. The Program aims to improve the implementation of our Quality Management System, in the leadership of Managers and in the involvement and training of Supervisors and Workers, spreading awareness of how fundamental the contribution of each individual is for the realization of the construction process of Quality Projects.

Research and Development

Research, development and technological innovation have always been essential to the execution of the Group's large-scale complex projects. The Group consistently focuses on these areas at both project and company levels. In close partnership with qualified professionals and engineering companies at an international level, the Group develops highly innovative techniques and solutions for use on projects of all types, sizes and complexity.

The Group's sector is characterized for highly customised processes, techniques and technologies tailored to the specific nature of each project.

Each project is unique and requires the development of personalised solutions designed thanks to highly specialist know-how.

The Group's work sites are hubs 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 and share the different innovations, pooling replicable initiatives. Webuild's technical teams partner with the best experts and professionals in the market, 267 universities and research centres right from day one to develop tailored solutions able to meet customers' requirements while protecting the local environment and communities.

As part of its ESG plan, Webuild plans to continue investing in innovative and clean tech projects.

The plan indirectly involves the upstream value chain as strategic partners that will cooperate to innovate the processes used to develop projects and the downstream value chain, helping customers achieve their innovation (or emission reduction/environmental protection) targets.

Webuild defined the investment using a process involving internal departments and considering a range of elements and factors.

In 2024, investments in innovation and cleantech projects amounted to over 250 million euros, with 12 million euros allocated to innovation, research and development projects, involving around 190 people.

The main innovation and cleantech projects, including R&D activities, carried out over the past years and still ongoing are described below:

- In 2024, the first phase of the Connected Webuild digital strategy was completed. This initiative aims to transform the IT infrastructure into a unique and integrated platform, with an investment of 14 million euros between 2021 and 2024, partially financed by MIMIT (Ministry of Enterprises and Made in Italy) and the Lombardy Region. The project introduced innovative solutions such as real-time monitoring of construction sites through Big Data, i.e. large quality databases, and the Digital Twin, i.e. the "digital twin" of objects in the real world. It also enhanced corporate know-how through Knowledge Management and introduced advanced management of machinery with Fleet Management, as well as optimising the relationship with suppliers through the adoption of artificial intelligence and automation in the Procurement Tool.

- In 2023, the Group opened its first Innovation Centre aimed at promoting innovation for both its work sites and external stakeholders. The objective is to improve the Group's construction products and processes and narrow the technological gap that has traditionally affected the construction sector, in order to promote a culture of innovation.

- The Innovation Centre will facilitate the identification and development of priority innovation areas, such as the study of innovative materials and construction techniques, digitalisation, sustainability and automation.

- In 2024, the Group set up a special team whose members are skilled in different areas. It also started to work with universities and strategic partners. The Innovation Centre's activities cover different areas ranging from research into materials to construction techniques and methods, from the digitalisation of business processes to cloud transformation and robotisation. Various stakeholders will be involved in achievement of the latter, as well as in projects related to quality, safety, the environment and monitoring of work site activities. From an Open Innovation perspective, partnerships with universities and research centres, as well as the involvement of suppliers, customers and strategic partners will facilitate the co-creation of high-impact innovative solutions for the domestic market, with a planned expansion in line with the Group's presence in the world.

- In 2023, the Group opened the first Roboplant, an example of a contribution to the progress of the sector for the automated production of prefabricated segments, the reinforced concrete elements, assembled in circular rings, which are used to line the tunnels excavated by a TBM (tunnel-boring machine) for railways, metros, and roads. Webuild is introducing robotics into production improving efficiency, safety and sustainability, with a significant reduction in CO2 emissions. Following the inauguration of Roboplant 1 in Belpasso (Catania), Roboplant 2 began operating in Bovino (Foggia) in 2024, with increased production capacity and reduced emissions. Also, in Belpasso, the Etnaplant factory is already active, supporting Roboplant 1 and producing manually and automatically managed segments. A further plant is planned in Sicily between 2025 and 2026. As an example, the Bovino plant will be able to produce two segments every 7 minutes, with an overall production capacity of 48 rings per day, with an expected increase in overall productivity of 30%.

- In 2024, Webuild also inaugurated a plant in Terni dedicated to the regeneration of TBMs. This plant overhauls, modifies and updates the Group's TBMs, allowing them to be reused in new projects and thus promoting a circular economy approach within the construction sector.

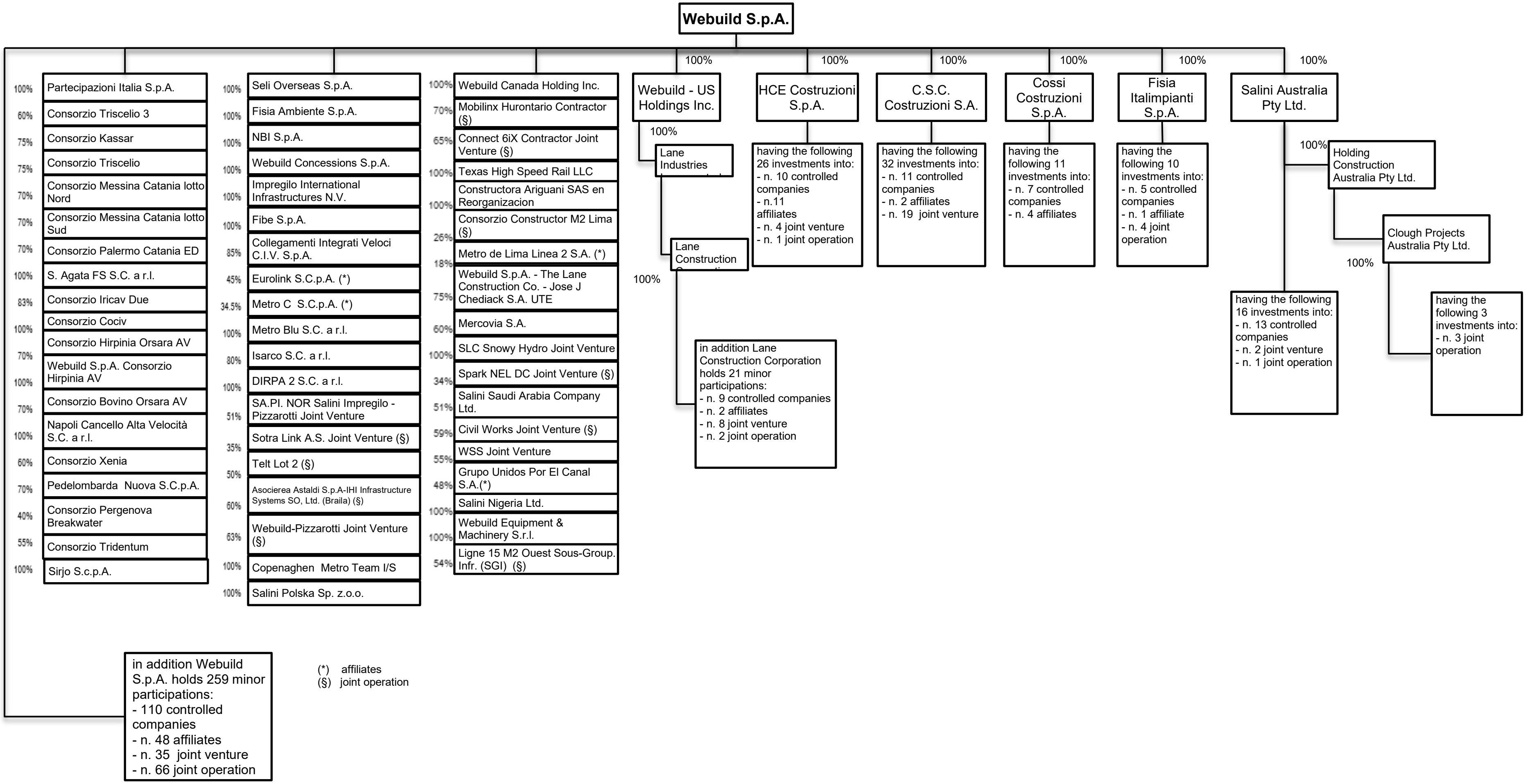
- In 2023, the first green TBMs for use in railway projects were readied for use and delivered. For some years, Webuild has collaborated for the design and development of state-of-the-art TBMs, designed to reduce energy and water consumption by optimising the on-board systems and devices. These innovations make the boring activities more efficient, reduce the environmental impact, speed up boring times and improve operating safety. They have been designed to reduce their environmental footprint and improve the tunnel excavation efficiency by reducing energy and water consumption per cubic metre bored by roughly 20% compared to the traditional TBMs. The “moles” also have cutting-edge systems to manage energy and water consumption efficiently thus making a significant contribution to reducing the works’ environmental impact. They are subjected to continuous monitoring to obtain data about their performance and identify additional opportunities for improvement. The green TBMs are currently in use in Italy railway work sites and will be used in other infrastructure projects in Italy and abroad. They will also undergo additional technological optimisations to improve their efficiency and reduce their environmental impact even further.

- The Group’s “Fast Track Implementation” method is specifically designed to construct large-scale “turnkey” hydroelectric power plants. The method, based on the simultaneous launch of all critical operational phases, helps to significantly reduce project timescales. Therefore, a hydroelectric plant begins to generate benefits and revenue streams much sooner than it would with a traditional organizational approach, delivering a faster return on investment. The Fast Track Implementation method, which the Group has already applied to three large-scale hydroelectric plants, can be used for many project types that require swift completion times, anywhere in the world.

ORGANISATIONAL STRUCTURE

Webuild is the parent company of the Webuild Group. The chart below illustrates the simplified corporate structure of the Webuild Group at 31 December 2024.

WebuildGroup as at December 2024, 31th



As of the date of this Offering Circular, the Issuer believes that it is not dependent upon any entities within the Webuild Group.

CORPORATE GOVERNANCE

Overview

The Webuild Group's approach to corporate governance is aimed at ensuring consistency with the best international practices.

The Issuer has adopted the "traditional" model of governance, where in principle the board of directors is responsible for the company's management and the board of statutory auditors is responsible for overseeing compliance with applicable laws and the by-laws.

The corporate governance system adopted and implemented by Webuild complies with the provisions of Italian corporate law and the Italian Consolidated Financial Act (Legislative Decree 24 February 1998, No. 58, as amended, the "ICFA"). It is also in compliance with the code of self-regulation drafted by the Corporate Governance Committee for Listed Companies, an internal body established by the Italian Stock Exchange, and applies to Italian listed companies on a "comply-or-explain" basis (the "Code of Self-Regulation"). In particular, the Issuer's by-laws are in compliance in corporate governance matters with all applicable laws as well as the recommendations set forth in the Code of Self-Regulation and the Italian securities markets regulations.

Pursuant to the ICFA, Webuild is required to illustrate in detail in each annual report on the corporate governance (which is published every year at least 21 days prior to the general meeting that is convened to approve the annual financial reports) the measures and procedures adopted and put in place in order to implement the recommendations included in the Self-Regulation Code and, in the event that one or more of such recommendations are not implemented, in full or in part, the reasons why the Board of Directors has decided not to do so.

The Issuer's most recent Report on the Corporate Governance (for the year 2024) is available in English at https://media.webuildgroup.com/sites/default/files/2025-03/Relazione%20Governance%20final%20ENG.pdf

Board of Directors

Pursuant to the Issuer's current by–laws, the Board of Directors, in office as of the date of this Offering Circular, is composed of 15 members who are expected to remain in office until the approval of the financial statements for the financial year ending on 31 December 2026.

The name, role, the date of first appointment and the date and place of birth of the current members of the Board of Directors are set forth in the following table:

Name and Surname	Position	Date of First Appointment	Place and Date of Birth
Gian Luca Gregori(1) (3)	Chairman	24 April 2024	San Benedetto del Tronto (Ascoli Piceno), 4 June1961
Pietro Salini(2)	Chief Executive Officer	17 July 2012	Rome, 29 March 1958

Name and Surname	Position	Date of First Appointment	Place and Date of Birth
Francesco Umile Chiappetta (1) (3)	Director	24 April 2024	Rome, 13 September 1960
Davide Croff(1) (3)	Director	30 April 2021	Venice, 1 October 1947
Moroello Diaz della Vittoria Pallavicini(1) (3)	Director	24 April 2024	Rome, 15 August 1970
Paola Fandella(1) (3)	Director	24 April 2024	Luino (Varese), 22 July 1962
Francesca Fonzi(3)	Director	24 April 2024	Guardiagrele (Chieti), 23 November 1974
Flavia Mazzarella(1) (3)	Director	30 April 2021	Teramo, 24 December 1958
Francesco Renato Mele(3)	Director	3 October 2022	Milan 10 February 1969
Meghnagi Itzik Michael(1) (3)	Director	24 April 2024	Milan, 14 April 1984
Teresa Naddeo(1) (3)	Director	30 April 2021	Turin, 22 May 1958
Alessandro Salini(3)	Director	28 April 2016	Rome, 26 March 1961
Serena Maria Torielli(1) (3)	Director	30 April 2021	Milan, 15 August 1969
Michele Valensise (1) (3)	Director	30 April 2021	Polistena (Reggio Calabria), 3 April 1952
Laura Zanetti(1) (3)	Director	30 April 2021	Bergamo, 26 July 1970

(1) Independent Director pursuant to Article 147–ter(4) of the ICFA and Article 3 of the Code of Self–Regulation.

(2) Executive Director

(3) Non–Executive Director

The business address of all members of the Board of Directors is the Issuer's registered office.

All members of the Board of Directors meet the integrity and experience requirements under applicable Italian law.

The Issuer's Chief Executive Officer, Mr. Pietro Salini, and one of the Board members, Mr. Alessandro Salini, are related. None of the other members of the Board of Directors has any family relationship, within the meaning of applicable Italian law, with any other member of the same board, nor with any member of the Board of Statutory Auditors.

Except as set forth below, to the knowledge of the Issuer, in the last five years, none of the current members of the Board of Directors has been convicted of fraud or bankruptcy crimes. Moreover, none of them has been subject to criminal charges or sanctions by public authorities or regulators (including appointed industry associations) during the performance of his or her professional duties, or to any injunction by any court affecting his or her ability to hold any position as a member of the corporate, management or supervisory bodies of the Issuer, nor has any of them removed or disqualified by a court from an administrative, management or supervisory body of any company or from acting in the management of any company.

A description of the experience and education of each of the members of the Board of Directors who are in office as of the date of this Offering Circular is summarized below.

Gian Luca Gregori has been a member of the Board of Directors of Webuild since April 2024. He graduated in Economics at the "Università Politecnica delle Marche "Giorgio Fuà" and is a Professor of Economics and Business Management. In this university, he headed the Management Department, the Doctoral School and presided the Faculty of Economics, after having been its Vice-President; once the Vice-Rector, in 2019 he was elected Rector of the same University. The author of over 220 publications on Management topics, he taught International Marketing and Business Marketing and was also a professor at the Faculty of Economics of the LUISS Guido Carli university. He has a license to practice as a Certified Public Accountant and is registered in the register of Statutory Auditors; he has been a statutory auditor and a member of the board of directors in various companies. He is currently a member of the board of directors of the CRUI Foundation (Conferenza dei Rettori delle Università Italiane), of Società Terna and of the Consiglio di Reggenza della Banca d'Italia di Ancona (Regency Board of the Bank of Italy of Ancona); he is an Adjunct Professor of Business Administration at Henan University, an honorary member of the Società Italiana di Marketing (Italian Marketing Association) and a Senior Fellow of the Luiss Business School.

Pietro Salini has been the Chief Executive Officer of Webuild S.p.A. since July 2012. He is also the Chief Executive Officer of Salini Costruttori SpA and the New Salini, a member of the Executive Council of Assonime, of the General Council and Steering Committee of Confindustria, and of the Board of Directors of Ispi (Istituto per gli Studi di Politica Internazionale). Born in Rome in 1958, after graduating in 1985 in Economics and Business Administration from La Sapienza University of Rome, he began his career in the infrastructure sector, working for the family company Salini Costruttori SpA, becoming in 1994 its Chief Executive Officer. In 2013, he was appointed the "Cavaliere del Lavoro" prestigious title, and in 2022 he earned an honorary degree from the University of Genoa in "Civil Engineering", and one in "Humane Letters" from the University of Addis Ababa in Ethiopia.

Francesco Umile Chiappetta has been a member of the Board of Directors of Webuild since April 2024. Having graduated in Law with the maximum vote and honours at the La Sapienza University in Rome, he began his professional career in 1983 at Consob, covering various roles, among which that of Regulations Manager. He has been the Vice-Director of Assonime being responsible for corporate and securities market law matters, and subsequently the Secretary of the Board of Directors and General Counsel of Telecom Italia S.p.A. and General Counsel and General and Institutional Affairs Director of Pirelli & C. S.p.A. From 2001 to 2020, he was the Chairman of the "Company Law Working Group" of Business Europe – The Confederation of European Business. Since 2014, he is a member of the Board of Directors of Armònia SGR S.p.A., of which he became the Chairman in April 2024. During the years, he was a member of the Board of Directors of listed companies such as Pirelli Real Estate, Autogrill, and Reply, and of non-listed companies like Monte Titoli, Camfin and IEO (Istituto Europeo di Oncologia, European Oncological Institute). Starting from 1989, he taught courses and gave seminars on corporate law and corporate governance at important Italian universities, among which the LUISS University in Rome, the Bocconi University in Milan and the Università Cattolica del Sacro Cuore (Catholic University) in Milan. He published many papers on corporate law and securities market law, and he is the author of the "Diritto del Governo Societario" (Corporate Governance Law), which in 2020 reached its 5th edition.

Davide Croff has served as a member of the Board of Directors of the Issuer since April 2021. He graduated in Economics and Commerce from the Ca 'Foscari University of Venice, specializing in Economics at Oxford. He is currently the Chairman of Cattolica Assicurazioni S.p.A., and a member of the Board of Directors of Credito Fondiario S.p.A. and Genextra S.p.A. He is also Chairman of the Ugo and Olga Levi Foundation in Venice, a member of the Council for Relations Between Italy and the United States (Consiusa) and a member of the Assonime Board. He previously held various positions at the FIAT Group, and from 1989 to 2003 he was first Deputy General Manager and then Chief Executive Officer at Banca Nazionale del Lavoro. He held the role of Chairman of the La Biennale di Venezia Foundation, for Permasteelisa S.p.A. and Eurovita S.p.A. He was a member of the BoDs of leading credit institutions and companies, including Fiera Milano S.p.A., BPM, Elica S.p.A. and the Presidency Council of the Querini Stampalia Foundation in Venice.

Moroello Diaz della Vittoria Pallavicini has been a member of the Board of Directors of Webuild since April 2024. He graduated in Law from La Sapienza University in Rome, and subsequently held roles and mandates in the real estate, energy, asset management and finance sectors. He is currently the Chief Executive Officer of Holding Immobiliare Pallavicini S.p.A., and a Director of the Board of Directors of Poste Vita S.p.A. He is also a member of the Risk and Related Parties Committee and of the Nomination and Remuneration Committee; He is also a member of the Board of Directors of AON Italia Srl. He is also a counsellor of the Embassy of the Sovereign Order of Malta in Italy. He has covered and still covers numerous mandates in cultural and non-profit activities. Among others, since 2023, he has been a member of the Consiglio di Indirizzo della Fondazione Teatro dell'Opera di Roma Capitale (Steering Council of the Teatro dell'Opera in Rome); since 2020, a member of the Consiglio Direttivo della Fondazione Ospedale Pediatrico Bambin Gesù (Board of Directors of the "Bambin Gesù" Children's Hospital Foundation); while since 2016, he has been a member of the Comitato di Indirizzo di AIRC - Associazione Italiana Ricerca sul Cancro (Steering Council of AIRC - Italian Cancer Research Association). From 2010 to 2016, he was the National President of the Associazioni Dimore Storiche Italiane ADSI (Historical Italian Dwelling Places Association), where he renewed the image of the Association, while enhancing the judicial-fiscal safeguarding activity of the buildings and the more cultural aspects of the matter. In December 2023, he was knighted with the "Onorificenza di Grande Ufficiale al Merito della Repubblica Italiana" title by the President of the Italian Republic.

Paola Fandella has been a member of the Board of Directors of Webuild since April 2024. She graduated in Economics and Banking at the Università Cattolica del S. Cuore. She is currently an Associated Professor of Economics of Financial Intermediaries, the person responsible for the MsC in Economics and Management of Cultural Heritage and Performing Arts (Economia e Gestione dei Beni Culturali e dello Spettacolo) and Director of the II Level Master's Degree in Economics and management of cultural heritage and performing arts (Economia e Gestione dei Beni Culturali e dello Spettacolo). During the years, she has taught extensively, and this has allowed her to reach the position of Professor in Economics and the securities market, in Economics and the securities market (derivatives and structured financial instruments), Economics of Credit Companies (Economia delle aziende di credito) and Enterprise Financing (Finanziamenti d'impresa) at the Faculty of Economics of the Università del S. Cuore of Milan (Catholic University of Milan). She has been for various times a member of the board of directors of various companies and is currently a member of the BoD of SACE, where she also is Chairperson of the Control and Risk Committee and a member of the Related Parties Committee.

Francesca Fonzi has been a member of the Board of Directors of Webuild since April 2024. Having graduated with honours in Law from LUISS Guido Carli University in Rome, during the years, she became director of many primary Italian companies of CDP Group (FSI SGR S.p.A., CDP Industria S.p.A. and SACE Fct S.p.A.) and of Leonardo S.p.A. Group (AnsaldoBreda S.p.A. and WASS S.p.A.).

From 2018, she is the Head of the Group Legal Coordination, Real Estate and Litigation unit ("Coordinamento Legale di Gruppo, Immobiliare e Contenzioso") of Cassa Depositi e Prestiti S.p.A.'s Legal, Corporate and Regulatory Affairs Department ("Direzione Affari Legali, Societari e Normativi"). She has also been the Head of the Industry & Corporate Affairs Department of CDP Reti S.p.A., also covering the role of Secretary of the Board of Directors. From 2001 to 2018 she carried out activities in the Legal, Corporate and Compliance Affairs Department of Leonardo S.p.A. Group as well as, before that, in Dexia S.p.A. and Telecom Italia S.p.A.

Flavia Mazzarella has served as a member of the Board of Directors of the Issuer since April 2021. She graduated in Economics and Commerce from the University of Rome, La Sapienza. She is currently the Chairperson of the Board of Directors of BPER Banca S.p.A. and Director and Member of the Remuneration and Appointments Committee of Alerion Clean Power. She was previously Chairperson of the Board of Directors, Director and Chairperson of the Risk Committee, as well as a member of the Nomination Committee and Lead Independent Director of Banca Finnat Euramerica, Director, Chairperson of the Control and Risk Committee and member of the Nomination and Remuneration Committee of Garofalo Health Care, and also Director of FIGC Servizi. From 2015 to 2018, she was Director and Member of the Control and Risk Committee of Saipem. From 2005 to 2012, Deputy General Manager of IVASS - (i.e. the Italian Insurance Supervisory Institute). She was also a director of the Privatization Office for the Italian Ministry of Economy and Finance.

Itzik Michael Meghnagi has been a member of the Board of Directors of Webuild since April 2024. Having graduated in Administration and Finance at Bocconi University in Milan, in 2017 he founded Maghen Capital S.p.A., a leading company of the Italian Real Estate sector, of which he is the Chief Executive Officer. He is also the Chief Executive Officer of Maghen Properties S.r.l., established in 2018 and active in the retail and hotellerie real estate wealth management sector, and of Megamoda S.p.A., Alef S.r.l. and MEM Capital S.r.l. since 2012. He was previously employed at Rothschild S.p.a., Bain & Company, and Mediobanca S.p.A.

Francesco Renato Mele has served as a member of the Board of Directors of the Issuer since October 2022. On September 2022, he was appointed CEO and GM of CDP Equity S.p.A, and Chief Investment Officer of CDP S.p.A. Previously, he was Chief Financial Officer of Illimity Bank (2018-2022) and of Banca Monte dei Paschi di Siena (2016-2018). In 2010 he joined Nomura, which he left in 2016 as Head of Italian lnvestment Banking. After an initial professional experience in Banca Commerciale Italiana (1994-1996), he worked at Goldman Sachs International, which he left as Managing Director in charge of the italian market (1996-2010). He graduated with honors in Business Administration from "Luigi Bocconi" University of Milan.

Teresa Naddeo has served as a member of the Board of Directors of the Issuer since April 2021. She graduated from the Faculty of Economics and Commerce of the University of Turin and is a qualified Chartered Accountant and Official Auditor. She is currently Effective Member of the Board of Statutory Auditors of Pirelli S.p.A., Statutory Auditor of Banca Mediolanum S.p.A., Chairperson of the Board of Statutory Auditors of Mediolanum Assicurazioni S.p.A. and Mediolanum Vita S.p.A. She was previously: Independent Director, Chairperson of the Control and Risk Committee and a Member of the Related Party Committee of Industrie De Nora S.p.A. from 2022 to 2024; Independent Director, Chairperson of the Nomination Committee and Member of the Remuneration Committee of CREVAL Banca Spa from 2018 to 2021; Effective member of the Board of Statutory Auditors of Dufrital S.p.A. (a company of the Dufry and SEA Group) from 2019 to 2023; Effective Member of the Board of Statutory Auditors of Vera Vita S.p.A (a company of the Generali Group) from 2021 to 2023; Member of Administration and Control Bodies of listed and non-listed companies; prior to 2014, she worked in one of the most important International Auditing Companies and then covered the role of Central Director and Finance in an Italian banking group.

Alessandro Salini has served as a member of the Board of Directors of the Issuer since 2016. He earned his degree in Political Sciences from La Sapienza University of Rome and his Executive Master's degree in Administration, Finance and Control from LUISS – Guido Carli University of Rome. His professional experience began as a young student at the family company, through summer internships, in the construction site of the Italian Ministry of Postal Services and Telecommunications, in Rome, and subsequently in the construction sites for the construction of textile plants in Ain Beida and Tebessa, in Algeria. In 1987, he continued his career in COGEFAR, which later became COGEFARIMPRESIT (FIAT Group), today Webuild. In 1993, he joined Salini Costruttori S.p.A. in which he held the position of Director of Market Development and Special Projects Director. To this function he added his "institutional" one, in the International Association of European Builders, EIC, participating in working groups and holding the role of Board Member, representing the Italian construction companies. Since 1994, he also held the role of Director of Salini Costruttori S.p.A., Salini S.p.A. and of other subsidiaries of the Salini Costruttori Group. He currently holds the position of Director of Salini Costruttori S.p.A., Salini S.p.A. and other companies belonging to the same Group. He is a member of FORT/WGFA (Wharton Global Family Alliance), and Managing Director of Sa.Par (Salini Partecipazioni).

Serena Maria Torielli has served as a member of the Board of Directors of the Issuer since April 2021. She earned a Master's degree in Political Economy, from Bocconi University, in Milan. She is currently the CEO and Co-founder of Wealthype, an Italian fintech company that deals with data analytics, AI and digital marketing, for banks and insurance companies. She previously held the position of Head of Asset Management Sales in Banca Leonardo, from 2000 to 2007 Managing Director FICC in Goldman Sachs International, and from 1992 to 1999 Vice Chairman of Fixed Income Sales and Trading for JP Morgan. Since 2018, she is one of the 50 "Inspiring Fifty", the 50 women considered to be the most influential in the Italian technology sector.

Michele Valensise has been a member of the Board of Directors of the Issuer since April 2021.He graduated in law from the "La Sapienza" University of Rome, and entered a diplomatic career, by competition, in 1975. He was the Italian Ambassador in Sarajevo, then in Brasilia, and finally in Berlin, and Secretary General of the Farnesina. In 2016, he was appointed member of the Board of Directors of Astaldi S.p.A. He was also a member of the Board of Directors of Tim S.p.A. At the end of March 2021, he was also appointed a member of the Board of Directors of Tim Brasil.

Laura Zanetti has served as a member of the Board of Directors of the Issuer since April 2021. She holds a degree in Business Administration from the Luigi Bocconi University of Milan. She has been a visiting scholar at MIT (Massachusetts Institute of Technology) and LSE (London School of Economics and Political Science). She has been the Chairperson of Italmobiliare S.p.A, since 2017. She is Associate Professor of Corporate Finance at Bocconi University, in Milan, where she is also director of the degree course in Economics and Finance and Research Fellow of the Baffi-Carefin research centre. She is a Chartered Accountant and Statutory Auditor. Previously, she held the role of member of the Italgas Board of Statutory Auditors, member of the Italcementi Board of Directors, member of the Coima Res Board of Directors, member of the Alerion Clean Power Board of Directors. She is also a member of the Board of Assonime.

Board Committees

Pursuant to Article 16 of the CONSOB's regulation No. 20249 of 28 December 2017 (also known as the "Market Regulation"), the Issuer, in its capacity as a listed company which is subject to direction and co-ordination of another company (i.e., Salini Costruttori, see also "*Principal Shareholders – Controlling shareholder – Salini Costruttori*") pursuant to Articles 2497 et seq. of the Italian civil code, is required – *inter alia* – to establish committees which are to be entirely composed of independent directors (to the extent establishment of these committees is recommended by the Code of Self-Regulation).

The Issuer's Board of Directors has established the following Committees, which carry out advisory, preliminary and consultancy activities in favour of the Board of Directors in the relevant areas. The composition of each Committee was redefined by the Board during the meeting held on 24 April 2024.

Compensation and Nominating Committee, which is composed of the following three Independent Directors: Laura Zanetti (Chairperson), Moroello Diaz della Vittoria Pallavicini and Paola Fandella;

Risks, Control and Sustainability Committee, which is composed of the following six Independent Directors: Teresa Naddeo (Chairperson), Paola Fandella, Gian Luca Gregori, Flavia Mazzarella, Moroello Diaz della Vittoria Pallavicini and Serena Maria Torielli.

Related Parties Committee, which is composed of the following three Independent Directors: Francesco Umile Chiappetta (Chairperson), Davide Croff and Itzik Michael Meghnagi.

Board of Statutory Auditors

The current Board of Statutory Auditors was appointed at the ordinary shareholders' meeting of 27 April 2023, and it is expected to remain in office until the approval of the financial statements for the year ending on 31 December 2025.

The name, role, the date of first appointment and date and place of birth of the current members of the Issuer's Board of Statutory Auditors are set forth in the following table:

Name and Surname	**Position**	**Date of First Appointment**	**Place and Date of Birth**
Giovanni Maria Alessandro Angelo Garegnani	Chairman of Board of Statutory Auditors	27 April 2023	Milan, 26 June 1960
Antonio Santi	Standing auditor	27 April 2023	Rome, 14 October 1977
Lucrezia Iuliano	Standing auditor	27 April 2023	Rome, 16 January 1982
Pierumberto Spanò	Alternate auditor	27 April 2023	Rome, 25 May 1961
Marco Seracini	Alternate auditor	27 April 2023	Florence, 2 September 1957

The business address of all members of the Board of Statutory Auditors is the Issuer's registered office.

All members of the Board of Statutory Auditors meet the integrity and experience requirements for listed companies under Article 148(3) of the ICFA and the implementing regulation adopted thereunder pursuant to Ministerial Decree No. 162 of 30 March 2000.

Certain biographical information regarding each statutory auditor is briefly summarized below.

Giovanni Maria Alessandro Angelo Garegnani. He is the Chairperson of the Board of Statutory Auditors since 27 April 2023. He earned his degree in Business Administration from the Luigi Bocconi University of Milan, and is a Chartered Accountant and Statutory Auditor. He is Full Professor in Business Administration. He is a member of university and professional associations. He is a consultant in M&A related matters as an independent expert or hired consultant. He was and is a technical court and party appointed expert witness during civil and criminal proceedings. He is a consultant on assessment and financial statement related topics. He covered numerous roles in primary listed and non-listed companies as an independent board director, chairperson and member of Boards of Statutory Auditors, chairman or member of Integrity Boards. He has authored monographs and papers published in academic and professional magazines, on financial accounting, M&A, governance, internal corporate control and business ethics matters.

Antonio Santi. He is Statutory Auditor of the Board of Statutory Auditors of Webuild since 27 April 2023. He earned his degree in Economics and Business Administration from the University of Rome - La Sapienza, in 2022. He earned his PhD in Business Administration from Università degli Studi di Roma 3 - Scuola Dottorale Diritto ed Economia "Tullio Ascarelli" in 2009. He is registered in the Italian Chartered Association of Certified Accountants since December 2066 and in the Register of Auditors pursuant to Ministerial Decree 17.04.2007, he carries out consultancies mainly on the following topics: assessment of companies and corporate branches, drawing-up industrial plans, drafting restructuring plans, arbitrations in civil and criminal proceedings regarding topics related to consolidated financial statements and the application of accounting principles (national and international). He covers some roles in government bodies and corporate control, and among others in listed companies too (at Borsa Italiana S.p.A.).

Lucrezia Iuliano. She is Statutory Auditor in the Board of Statutory Auditors of Webuild since 27 April 2023. She earned her degree in Business Administration from Rome's University "La Sapienza" in 2008. She then also achieved her second level Master's degree in Real Estate Tax in 2018. She is registered in the Chartered Association of Certified Accountants in Rome since 2012 and in the Register of Auditors since 2013. She offers fiscal, tax and corporate consultancy services to companies working in various economic sectors. Specialization: Financial Statements and accounting principles, extraordinary operations, tax litigation, corporate taxes. From 2017 to 2022, she was a member of the Consultive Commission of the Chartered Association of Certified Accountants in Rome "Direct taxes-Extraordinary operations". She acts as trainer in training and webinar courses for professionals and companies. She has covered and covers roles in control bodies of Italian limited liability companies.

Pierumberto Spanò. He is Alternate Auditor of the Board of Statutory Auditors of Webuild since 27 April 2023. He is a Chartered Accountant since 1988 and is registered in the Register of Statutory Auditors since it was founded. He has a consolidated experience in company-related and corporate and tax consultancy matters, with regard to both extraordinary and ordinary operations (merges, demergers, liquidations, etc.). He developed skills in his own specialization area, particularly in the construction and civil engineering sectors, that of infrastructure, regulated markets, transport and gas stocking, air transport and social security. He has covered and covers corporate roles (Chairperson of the Board of Statutory Auditors, Statutory Auditor, Board Director, ODV Chairperson, etc.) in companies, even listed ones and ones with shares in listed ones, and in Social Security bodies. He has taught in some post-graduate academic schools for company-related, corporate and fiscal.

Marco Seracini. He is an Alternate Auditor of the Board of Statutory Auditors of 27 April 2023. He is a Chartered Consultant and Statutory Auditor, registered in the Register of Auditors, in the Expert Technical Witnesses of the Court of Florence - Chartered Accountants and Accounting Experts (since 2001), in the Register of Court Appointed Administrators at the Ministry of Justice and in the List of Managers for Crises of Over-Indebtedness of Organismo di Composizione della Crisi da sovraindebitamento of OCF. Contract Professor in Corporate Governance at Milan's Catholic University (Università Cattolica del Sacro Cuore di Milano) - Banking, Financial and Insurance Sciences Faculty. He is a member (since 2017) of the Commission that reviews the Behavioural Norms of Statutory Auditors of Listed Companies of the Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili (CNDCEC), and as such he is a promoter of the current Behavioural Norms of Boards of Statutory Auditors of Listed Companies (Norme di Comportamento dei Collegi Sindacali di Società Quotate), published by CNDCEC in April 2018; he is the Administrator, Chairperson of the Board of Statutory Auditors of various Companies and bodies: he is Statutory Auditor in numerous Public and Private bodies, among which ENI S.P.A since May 2014), ENI FUEL S.P.A, VERSALIS S.P.A. He authored numerous publications on Corporate Governance, ESG, Benefit Companies and Sustainable Management.

To the knowledge of the Issuer, in the last five years, none of the members of the Board of Statutory Auditors has been convicted of fraud or bankruptcy crimes. Moreover, none of them has been subject to criminal charges and/or sanctions by public authorities or regulators (including appointed industry associations) during the performance of his professional duties, or to any injunction by any court affecting his or her ability to hold any position as a member of the corporate, management or supervisory bodies of the Issuer, or to perform other management or direction activities for the Issuer or other companies.

Conflict of interests

As of the date of this Offering Circular, to the best of the Issuer's knowledge, none of the members of the Board of Directors or the members of the Board of Statutory Auditors are in a situation of potential conflicts of interests with respect to the Issuer and his/her private interests and/or other duties. Without prejudice to the above, Webuild notes that:

- Pietro Salini is the Chief Executive Officer of the Issuer, Salini Costruttori and the New Salini;
- Alessandro Salini is member of the Board of Directors of the Issuer, Salini Costruttori and the New Salini; and
- Francesco Renato Mele is member of the Board of Directors of the Issuer and the Chief Executive Officer of CDP Equity, i.e. the company who entered into the CDP Equity Investment Agreement with the New Salini (see "*Principal Shareholders – Investment Agreements*" and "*Principal Shareholders – Shareholders' Agreements*").

External Auditors

The Issuer's annual financial statements, in accordance with applicable laws and regulations, must be audited by external auditors appointed by the shareholders. The external auditors, amongst other things, examine the annual financial statements and issue an opinion regarding whether these comply with the Italian regulations governing their preparation (i.e. whether they are clearly stated and give a true and fair view of the financial position and results of the Issuer and the Group).

The shareholders' meeting of the Issuer held on 27 April 2023, resolved to appoint PricewaterhouseCoopers S.p.A., with its registered office in Piazza Tre Torri 2 - 20145 - Milano, as external auditor for the period 2024–2032.

The role and responsibilities of the external auditors are set out, *inter alia*, by Legislative Decree 27 January 2010, No. 39, as amended.

PRINCIPAL SHAREHOLDERS

Description of share capital

As of the date of this Offering Circular, the issued and paid-in share capital of the Issuer is €600,000,000, divided into 1,019,268,439 shares with no par value, comprising

– 1,017,652,948 ordinary shares of which 463,795,485 ordinary shares with one vote and 553,857,463 ordinary shares with increased vote (see below for the mechanism of increased voting rights) for a total of no. 1,571,510,411 voting rights; and

– 1,615,491 savings shares without voting rights.

See also "*Recent* Developments – *Capital Increase*" above. As of the date of this Offering Circular, the Issuer owns 26,418,437 treasury shares, equal to approximately 2.60% of its ordinary share capital.

The Issuer's by-laws introduced a mechanism of increased voting rights pursuant to Article 127–*quinquies* of the ICFA.

In compliance with Articles 13 *et seq.* of the by-laws, two votes will be attributed to each ordinary share, provided that each share has been held by the same shareholder, by virtue of a right legitimizing the exercise of the voting right (i.e., full ownership with voting rights or bare ownership with voting rights or usufruct with voting rights) for an uninterrupted period of at least 24 months from the date of registration in the special list established and regulated in accordance with the terms and conditions set forth in Article 13–*bis* of the by-laws (the ''**Special List**''). The uninterrupted period of at least 24 months shall result from a specific communication issued by the intermediary, with whom the shares are deposited, in compliance with the applicable law.

The acquisition of the increased voting rights will become effective from the earlier of (i) the fifth day of open market of the calendar month following the month in which the conditions for the increase in voting rights are met; or (ii) the so-called ''record date'' of any shareholders' meeting, set in compliance with the applicable law, following the date on which the conditions required by the by-laws for the increase in the voting rights are met. Pursuant to Article 13–*bis* of the by-laws, the Issuer will be entitled to remove holders of increased voting rights from the Special List in the following circumstances:

- waiver by the interested party;
- communication from the interested party or the intermediary proving the lack of the conditions for the increase in the voting right or the loss of ownership of the right legitimizing the exercise of the voting right and/or the relevant voting right;
- automatically, in the event the Issuer is informed of the occurrence of events entailing the loss of the conditions for the increase in the voting right or the loss of the ownership of the right legitimizing the exercise of the voting right and/or the relevant voting right.

In addition, the following circumstances will trigger the loss of the increased voting right:

- transfer of the relevant share (including in the event of creation of a pledge, usufruct or other lien on the share when this entails the loss of the relevant voting right, and in the event of enforcement of the pledge);
- in the event of direct or indirect transfer of controlling shareholdings in companies or entities that hold shares with increased voting rights in excess of the threshold set forth under Article 120(2) of the ICFA.

Shareholders holding an interest in excess of 3 per cent.

As of the date of this Offering Circular, based on the Issuer's corporate records, on the increase of voting rights that occurred as of May 2025 and other available public information, the following shareholders hold an interest in the Issuer's ordinary voting rights exceeding 3 per cent:

- New Salini holds an interest equal to approximately 48.38% per cent of the voting rights (for no. 398,534,376 ordinary shares equal to approximately 39.16% per cent of the ordinary share capital;

- CDP Equity holds an interest equal to approximately 21.28% per cent of the voting rights (for no. 167,555,145 ordinary shares equal to approximately 16.47% per cent of the ordinary share capital).

Salini Costruttori exercises control over Webuild, through New Salini, and directs and co-ordinates the activities of the Issuer pursuant to Articles 2497 *et seq.* of the Italian civil code.

Controlling shareholder

The New Salini is fully owned by Salini Costruttori. The principal shareholder of Salini Costruttori is Salini Simonpietro e C. S.a.p.A., a company that is, in turn, controlled by Mr Pietro Salini, who is the ultimate shareholder in the Webuild's control chain. Based on the Issuer's corporate records and other available public information, Mr. Pietro Salini holds directly approximately a 0.07 per cent. interest and indirectly (through the wholly owned company Athena Partecipazioni S.r.l. and through Salini Simonpietro e C. S.a.p.A.) 0.14 interest in the Issuer's ordinary share capital.

On 14 October 2019, Mr. Alessandro Salini, Mr. Francesco Saverio Salini (who deceased in October 2021), Mr. Pietro Salini, Mr. Simonpietro Salini (who deceased in July 2024), Salini Simonpietro & C. S.a.p.A. and Sa.Par. S.r.l. informed the Issuer that on 9 October 2019 they entered into an agreement concerning, *inter alia*, the exercise of voting rights in Salini Costruttori (the "**Salini Costruttori Agreement**"). The Salini Costruttori Agreement contains certain undertakings by the shareholders' pursuant to Article 122(1) of the ICFA. These undertakings mainly concern: (i) voting obligations which were performed at the shareholders' meeting of Salini Costruttori held on 9 October 2019 (in relation to the appointment of the members of the board of directors and the board of statutory auditors of Salini Costruttori) and of 11 November 2019 (in relation to certain amendments to the by-laws of Salini Costruttori, in the agenda of the shareholders' meeting), (ii) voting obligations in relation to, *inter alia*, the confirmation of the advisory committee of the board of directors, the confirmation of the powers and power of attorneys of the current chief executive officer and the appointment of the vice-chairman of the board of directors, and (iii) voting obligations of Salini Simonpietro & Co. C. S.a.p.A. in relation to the approval of the financial statements of Salini Costruttori and the distribution of dividends. Also following the execution of the Salini Costruttori Agreement, Mr. Pietro Salini continues to be the ultimate shareholder of Salini Costruttori and Webuild.

On 22 November 2021, Mr. Alessandro Salini, Mr. Pietro Salini, Mr. Simonpietro Salini (who deceased in July 2024), Salini Simonpietro & C. S.a.p.A. and Sa.Par. S.r.l. entered into an agreement concerning, *inter alia*, certain aspects related the exercise of voting rights in Salini Costruttori and in New Salini as well as the governance of such companies (the "**Salini Agreement**"). The Salini Agreement contains certain undertakings by the shareholders' pursuant to Article 122(1) of the ICFA. These undertakings mainly concern: (i) the approval of certain amendments to the Salini Costruttori and New Salini by-laws, (ii) the appointment of the members of the board of directors and the board of statutory auditors of Salini Costruttori and New Salini).

On 26 July 2024, Mr. Alessandro Salini, Mr. Pietro Salini, Salini Simonpietro & C. S.a.p.A. and Sa.Par. S.r.l. entered into an agreement for, among other things, the renewal of the undertakings of the Salini Agreement concerning the appointment of the members of the board of directors and of the board of statutory auditors of Salini Costruttori and New Salini (the "**New Salini Agreement**").

Also following the execution of the New Salini Agreement, Mr. Pietro Salini continues to be the ultimate shareholder of Salini Costruttori and Webuild.

Shareholders' Agreements

On 29 February 2024 (date of signature of the last signatory) New Salini, CDP Equity S.p.A. ("**CDPE**") and, limited to certain provisions, Salini Costruttori S.p.A., Webuild and Pietro Salini personally, in his capacity as shareholder of Salini Simonpietro e C S.A.p.A., signed a shareholders' Agreement by which said parties have: (i) consensually and definitively terminated the agreement signed on 2 August 2019, subsequently supplemented and amended on 4 November and 26 December 2019 - to which, as from 21 February 2022, Salini S.p.A. adhered following the contribution to the latter, by Salini Costruttori, of the entire shareholding held by the latter in Webuild - relating to the respective shareholding in the share capital and corporate governance of Webuild and (ii) simultaneously signed - as regards New Salini, CDPE and Pietro Salini - a new shareholders' agreement concerning, inter alia, certain of the Issuer's corporate governance rules, instrumental to Webuild's participation in the process of modernising the Country's infrastructure, to which part of the investments set out in the National Recovery and Resilience Plan are aimed. The Shareholders' Agreement will remain valid and effective until the third anniversary from the aforementioned date of subscription and at its expiry it will be automatically renewed from time to time for further periods of 3 (three) years, unless cancelled. For more details, reference should be made to the Key Information drafted in accordance with art. 122 of the Consolidated Finance Act and art. 130 of the Issuers' Regulation and published, in accordance with law, on the website of the Issuer in the Governance - Other documents Section.

LITIGATION AND ARBITRATION PROCEEDINGS

The Group is currently party to a number of civil and administrative proceedings in various jurisdictions arising in the ordinary course of business, as well as certain criminal proceedings, relating to, among other things, non-payment, alleged default and/or non–completion of construction projects, violations of environmental laws and regulations, shortcomings in the Group's organizational, management and control model adopted pursuant to Decree 231, labour, employment and tax matters.

Set out below is a summary of information relating to the most significant legal proceedings in which the Group is currently involved.

Civil litigation

USW Campania projects

The USW Campania issue comprises various proceedings in different jurisdictions, some of which 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 damages 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 €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 appealed to the Supreme Court, which, with its ruling no. 10854/2022 published on 18 December 2023, established the jurisdiction of the ordinary judge. On 18 March 2024, the Office of the Prime Minister summarised the hearing before the Naples Court. Fibe, Fisia Ambiente and Webuild appeared in court initially requesting that the appeal be found inadmissible due to its violation of the "*ne bis in idem*" principle as the same requests had been proposed in the proceeding described below in point 2.

2. On 30 November 2015, the Office of the Prime Minister received a new claim form served by 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 was €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. After receipt of the court-appointed expert's report, 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 filed separate appeals. In the meantime, the amount plus interest was collected on 20 July 2022 as part of the enforcement proceedings which is discussed later in this Offering Circular (in the administrative litigation section). The appeal hearing ended with a ruling published on 29 January 2025 in which the Appeal Court accepted only part of the claims made by the parties, acknowledging approximately €107 million due to Fibe and approximately €68 million to the Office of the Prime Minister. After offsetting, Fibe is due roughly €39 million, which net of the amounts already acknowledged and collected under the above court ruling implies that Fibe is still due around €4 million plus interest.

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 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 filed its appeal. The collection agency notified Fibe of a notice of payment for the aforementioned amount of €10 million (increased to approximately €14 million to include the interest), partially offset by amounts due to Fibe and recognised by the Office of the Prime Minister for services rendered and accounted for the activities carried out by the former service providers following the termination of the service contracts (see the administrative litigation section). Fibe is paying the amount in regular instalments. Following the declared nullity of the offsetting by the Council of State, (see the administrative litigation section), Fibe was notified of an additional tax bill of approximately €11.6 million.

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 Client 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 Client'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 entire 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 Client to inform it of the intention to immediately suspend work if the Client 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 Client and contracting companies agreed to provide financial support for the works to be finished up to a maximum of about €1.3 billion. The Client met its obligation by granting a moratorium on the refunding of already disbursed contract advances totalling €729 million and disbursing additional advances amounting to €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 performance 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 Client 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 in Miami, Florida between GUPC (with its European partners Sacyr, Webuild (previously Impregilo) and Jan De Nul) and the Panama Canal Authority ("PCA") as described below:

1. 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. The parties appealed to the arbitration tribunal for the interpretation and correction of the award based on article 36 of the ICC regulation. On 8 September 2023, the tribunal found that the amounts due to GUPC were not yet collectible as part of the total refers to GUPC's EoT (extension of time) right for completion of the contract, which will be determined by the arbitration tribunal that will rule on the other issues. For the same reason, the tribunal also deferred any reimbursements due to PCA based on the cancelled DAB's rulings, again affected by considerations about the EoT. The dissenting opinion states that the part of the ruling about the award obliges PCA to immediately pay GUPC the amounts in question, including interest accrued after the award;

2. 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. At the date of preparation of this report, the proceeding is underway.

On 11 March 2020, Webuild filed its arbitration application with the International Centre for Settlement of Investment Disputes (ICSID) against Panama. It claimed damages 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. At the date of preparation of this prospectus, the proceeding is underway.

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 deemed to be highly probable based on the opinions expressed by its legal experts and in light of the damages awarded by the DAB.

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 the two parties subsequently 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 dismissing 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 as 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 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. Following this court's decision that it did not have jurisdiction in ruling no. 1381/2023, the proceeding has been resumed before the Rome Court where it is currently pending;

– 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 of €109 million on 12 October 2017. 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 as per the ruling and paid the consortium its share in the meantime before the hearings are held.

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

In March 2006, Impregilo S.p.A. (later Webuild S.p.A. then Webuild Italia S.p.A. and now Webuild S.p.A.), acting as Lead Contractor (with a 45% share) of the Temporary Grouping of Companies established for this purpose (later incorporated into the Project Company Eurolink S.C.p.A., "**Eurolink**"), signed a contract with Società Stretto di Messina S.p.A. ("**SdM**") for the appointment as General Contractor for the final and executive design and the construction of the Bridge over the Strait of Messina and its related road and rail connections.

In September 2009, an Addendum was signed between SdM and Eurolink, taking into account the suspension of project activities from the date of the contract's signing up to that point. As provided in this addendum, the final design of the project was delivered to the client. On 29 July 2011, the Board of Directors of SdM approved the final design.

On 2 November 2012, Decree-Law No. 187 was issued, titled "Urgent measures for the redefinition of contractual relationships with Società Stretto di Messina S.p.A. and regarding local public transportation". Following this, Eurolink, in accordance with the contractual provisions, exercised the right of withdrawal on behalf of all the partners involved. Eurolink initiated various legal actions both nationally and at the EU level—on one hand, challenging the Decree-Law's provisions as being contrary to constitutional norms and EU treaties, claiming these provisions infringed upon rights lawfully acquired by Eurolink under the contract; and on the other hand, seeking an order for SdM to pay the amounts claimed as a result of the termination of the contract.

Regarding the legal actions at the EU level, in November 2013, the European Commission announced its decision not to proceed with the case due to the absence of treaty violations. This decision was confirmed on 7 January 2014, with the formal notification by the European Commission of the case's closure.

As for the civil proceedings at the national level, Webuild and all Eurolink shareholders, in their own name, jointly and severally, requested that SdM be ordered to pay the amounts owed for various reasons due to the termination of the contract, amounting to approximately €657 million. The various actions and related proceedings in this context have been consolidated.

With ruling no. 22386/2018 of 16 October 2018, the ordinary Rome court dismissed the applications filed by Eurolink and Webuild (as lead contractor of the joint venture) and those filed by the summonsed companies (Società Italiana per Condotte d'Acqua, Sacyr, CMC di Ravenna, IHI and Itinera) in the proceeding R.G. no 16617/2013 joined with the first proceeding above, as it found that the public sector customer's termination of the contract was legitimate. It also disallowed the counterclaims filed by SdM. In addition, the court rejected the main claim filed by Parsons (about the customer's illegitimate withdrawal) deferring an opinion about the compensation requested as an alternative claim to the Constitutional Court. The latter subsequently stated that this compensation was inadmissible with ruling no. 265/2019 due to the specific nature of Parson's contractual position.

On 28 December 2018, Eurolink and Webuild (as lead contractor of the joint venture) filed their appeal against the above ruling no. 22386/2018 of 16 October 2018 in order to extend the effects of the first level ruling about the compensation to Eurolink and to pave the way for a new motion for recognition of the legally-recognised right to compensation following the customer's legitimate termination of the contract.

The parties involved in appeal hearing R.G. no. 29/2019 all presented themselves in court: (i) the Ministry of Infrastructure and the Office of the Prime Minister, without presenting a cross-appeal, (ii) SdM presenting a cross-appeal, and (iii) Parsons presenting a cross-appeal for its part of the proceedings.

After the first appearance hearing, which had been deferred several times, the Appeal Court appointed a new judge to replace the judge who abstained from the panel of judges and, after a number of deferrals, set a date for the hearing as 18 September 2023, which was subsequently brought forward to 15 May 2023 for clarification of the conclusions. At the hearing of 15 May 2023 and given the enactment of Decree law no. 35/2023, which introduced a method to resolve the dispute and recommence the works, as well as the time potentially required to complete the process, the Appeal Court deferred the hearing to 14 October 2024 and then to 9 June 2025 due to the continuation of the interim orders.

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 was adversely affected by a number of events outside Webuild's control such as unforeseeable widespread landslides on approximately 6.6 km of the route.

Despite this, the lot was delivered to the Client 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 Client refused to acknowledge the unpredictability 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 Client terminated the contract and collected the performance 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 dismissing the Group's requests and awarding damages for delays to the Client of approximately €19 million. The parent 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”). On 4 October 2024, the sole arbitrator issued an award essentially confirming the award already rendered in the ICC proceedings, i.e., granting CNAIR's claim for RON 90 million, plus interest at 4% from 15 November 2019 until the actual date of payment. Webuild therefore filed an application for annulment of the latter award before the Romanian courts. This annulment proceeding does not suspend the enforcement of the award, and in fact CNAIR has begun enforcement.

In view of this situation, in April 2025, the parties reached a first settlement providing the immediate compensation of the amounts ordered in the judgements and the payment by Webuild of €4.5 million to CNAIR, also avoiding the freezing of accounts in Romania. Legal interest and inflation, which are the subject of further appeals, will be compensated between the parties when the relevant final decisions are obtained.

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. On 21 February 2024, the tribunal handed down its award accepting all Webuild’s claims (and ordering that its court costs be paid). It established that CNAIR’s unilateral offsetting was not valid. The procedure to execute the award has started with the concurrent attempt to come to an agreement with CNAIR to obtain payment of the amount due more quickly.

On 17 February 2020, the Group filed a new different application for arbitration to the CCIR challenging the validity of the reasons allowing CNAIR’s collection of the performance guarantees 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 unduly collected performance guarantees 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. However, CNAIR had also included this sum in the arbitrary and illegitimate offsetting referred to in the previous paragraph, now invalidated by the ICC award above.

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 encountered critical engineering problems due to subsurface water issues and the area’s weather conditions, which CCSIC attempted to resolve by proposing new solutions to the Client (although it was not contractually obliged to do so).

In June 2018, the joint venture presented claims to the Client 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 Client unilaterally 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 Client was invalid.

In addition, its legal advisors requested the urgent and precautionary suspension of the actions to collect the performance guarantees.

The Joinville Court granted the judicial blocking of collection of the performance guarantees 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 was terminated.

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

In January 2021, the Santa Caterina Court ruled (i) to maintain suspension of any actions to collect the guarantees (which the Client 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 meantime, the Joinville Court handed down its ruling on 6 July 2021 finding the application filed in 2019 by CCSIC to be groundless, finding the Client's termination of the contract to be legitimate, cancelling the international arbitration proceedings and the freezing of the collection 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 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 proceeded to file an appeal with the Supreme Court on 3 October 2023. At the date of preparation of this report, the ruling has not been issued yet.

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.

Supreme Court - claims for the final billing for the Bologna - Conca d'Oro section

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 dismissing 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 approximately €4 million (already collected by the joint venture after the court's ruling).

The joint venture appealed against the Appeal Court's ruling to the Supreme Court which disallowed Webuild's appeal on 5 November 2024.

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. 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 the dismissed claims only.

This ruling partly contradicted the initial findings of the 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 dismissed some claims already examined by the court-appointed expert as part of their first appraisal, 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 revaluation 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 denied 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 appealed against the Rome Appeal Court's ruling before the Supreme Court and Roma Metropolitane, in turn, presented its counter appeal.

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

The Rome Appeal Court has suspended the proceedings until the Supreme Court files its ruling on the validity of the claims subject to the interim ruling of 2018.

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 has appealed this second level ruling before the Supreme Court.

ENI headquarters

On 24 October 2022, Webuild as 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 due to the latter's serious breach of the contract terms and the supervening onerousness. Therefore, Webuild's application asked 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, the customer 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.

The arbitration tribunal issued an interim award on 16 September 2024, rejecting the application to terminate the contract and the December 2021 transaction. It deferred the other issues to a separate proceeding.

Webuild has challenged the interim award.

In response to the end user of the building activating the guarantee due to alleged defects in the building, the customer in turn activated the guarantee of €30.1 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 Webuild, on 22 December 2011.

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

Yuma holds 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 an addendum 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 ("ICC") 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 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 credit facility signed by the Italian banks (i) Banca Intesa Sanpaolo and (ii) Banca Popolare di Sondrio and Webuild was set up with ANI. This €100 million facility has been agreed to fund and complete the works. On 18 June 2021, Webuild and Yuma Concesionaria signed the related loan agreement. At 31 December 2024, the parent has lent Yuma Concesionaria a nominal €181 million.

On 12 September 2023, the ICC notified the parties of its award acknowledging Yuma's right to have the contract's economic balance redressed as it found that ANI was guilty of: (i) violations of its obligation to provide truthful and sufficient information during the tender stage, (ii) violations of its obligation to cooperate and abuse of rights in delivering a section of the project in a state of anomalous and unforeseeable deterioration, and (iii) abuse of the power of control and violation of the obligation of collaboration in requiring the operator to carry out certain works even though they were neither mandatory nor requested. Therefore, the concession continues to be effective, it will be subject to price reviews and compensation will have to be paid to redress its economic imbalance as decided by the arbitrators. The two parties will continue to negotiate in good faith under the award's provisions to settle the other costs or risks.

On 11 December 2023, Yuma filed a new request for arbitration to obtain quantification of how the contract's economic balance is to be re-established given that the previous tribunal had only confirmed Yuma's right to such rebalancing. At the date of preparation of this report, the proceeding is underway.

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 Client 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 Client 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 Client's default. The Client attempted to collect the performance guarantees of approximately €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 Client 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. The proceeding is underway.

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 Client 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 Client 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 Client.

The Client obtained collection of the performance guarantees of €37 million, which the joint venture had provided.

The joint venture has commenced proceedings against the Client before the Warsaw Court to receive payment for the works performed and claims of €54 million. The proceedings are underway.

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 Client 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 Client collected performance guarantees of €13 million, which the joint venture had provided. After presentation of an appeal against this, Salini Impregilo (now Webuild) provided for payment.

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

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 performance guarantees and payment of the fines due to termination. The Client'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 Client's counterclaim from the proceedings for its examination in a separate proceeding. The proceeding is underway.

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 Client has collected performance guarantees of €15 million.

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

Project S7 Wydoma (Poland)

Webuild was awarded this contract in October 2017.

On 7 December 2020, the Client 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 Client 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 guarantees. It also noted that the contract terminated for reasons attributable to the Client.

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 have been terminated unjustly and that it be due the additional consideration of approximately €55 million, subsequently revised to roughly €84.5 million.

GDDKiA collected the performance guarantees of €25 million included in Webuild's claims as part of the dispute before the Polish courts.

The parties are involved in court-based mediation and the ordinary proceedings are suspended.

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. The most critical of these issues included the concrete works, the electromechanical works and the architectural finishings.

The negotiations with the Client, assisted by the two parties' 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 Client 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 disallowed the counterclaims, finding them to be completely groundless.

Arbitration proceedings were therefore initiated on 17 September 2021 to obtain a reduction in the Performance Bond from 3% (€52.1 million) to 1% (€17.3 million), for a difference of approximately €34.8 million. On 27 February 2024, the arbitration tribunal rejected the CMT consortium's claim and decided to maintain the bond at its original value of 3% until the end of the main arbitration proceedings.

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 had been formally filed for arbitration, amounting to approximately €789 million. The counterclaims filed by the Client Metroselskabet (‘MS’) amount to approximately €320 million.

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 (UCCC) 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 settle 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 damage 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. On 31 March 2025 the Final Award was issued in our favour, whereby UCCC was ordered to pay CWG the sum of US$ 1.8 million.

The above amount represents the difference between the amount owed to UCCC for the value of the unpaid work (US$ 47 million) and the total amount awarded to CWG in respect of its counter-claims against UCCC (US$ 49 million).

Slovakia

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

- the Client undertook to certify in the short term most of the works performed and awaiting approval for bureaucratic reasons;

- a dispute adjudication board (DAB) would 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 Client 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 was constituted. The proceeding is underway.

Autopistas del Sol S.A (Ausol)

In September 2022, the Client 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 informed the tribunal and filed an appeal, which was rejected. On 5 December 2023, another appeal ("recurso de queja") was filed with the Argentine Supreme Court which has yet to hand down its ruling.

On 16 November 2023, a trigger letter was filed to commence an ICSID arbitration proceeding against Argentina due to its violations of the bilateral Argentina-Italy treaty.

Naples - Bari railway line, Naples - Cancello section - NACAV S.C. a r.l.

With respect to the contract for the Naples - Cancello section of the Naples - Bari railway line, NACAV S.C. a r.l. (Webuild Group: 100%) has terminated the subcontracting contract with A.B.S.ING S.r.l. due to the latter's continued non-compliance with the related contract terms. The subcontractor subsequently appealed to the Rome Civil Court claiming damages of approximately €7.3 million. NACAV presented itself in court challenging the admissibility and validity of the subcontractor's claims. The court-appointed technical expert has completed its work, finding the claims made by A.B.S.ING S.r.l. to be unfounded and inadmissible. At the date of preparation of this report, the trial is taking place.

C-43 West Basin Storage Reservoir (Florida, US)

Webuild and Lane are part of the C43 Water Management Builders joint venture set up to build a reservoir in southern Florida commissioned by South Florida Water Management District on 19 March 2019.

The project incurred significant delays and stoppages which the joint venture attributed to the numerous design changes requested by the Employer customer and the failure to provide necessary access to the site. In response to a cure notice sent by the Employer customer on 27 February 2023, the joint venture prepared a comprehensive recovery plan and programme to accelerate completion of the works.

However, on 28 April 2023, the Employer served the joint venture with a notice of termination of contract, thereby ordering also to discontinue the works.

Litigation commenced before the Fifteenth Judicial Circuit Court in Palm Beach County, Florida in which the Employer claims that the joint venture breached the contact by failing to carry out the works in an adequate and diligent manner and seeks damages. Conversely, the joint venture challenges the unlawful termination of the contract and, in turn, claims damages from the Employer. The *petita* have not yet been quantified and the proceedings are underway.

Interstate 4 Highway (USA, Florida)

Lane, together with the companies Skanska SE and Granite, was part of the design-builder Joint Venture "SGL" (Skanska-Granite-Lane) for the construction of a section of the Interstate 4 Highway in Florida, USA, commissioned by the employer Florida Department of Transportation ("FDOT").

On 22 January 2021, Lane filed a lawsuit - for an amount quantified as no less than $132M - against the JV partner and leader Skanska for breach of fiduciary duty and gross negligence based on conflict of interest, because the partners decided to sign the settlement agreement ("SA22") with the client FDOT in 2020, rather than pursue the termination of the project.

On 27 August 2021 Skanska filed its answer to Lane's complaint and filed counterclaims against Lane, Webuild, and SGL; Granite filed a motion to intervene in the lawsuit, and filed counterclaims against Lane and Webuild. Skanska and Granite alleged that Lane had to reimburse the missing cash calls, that Skanska and Granite advanced for Lane.

In June 2023 the Court issued an Order deciding that Lane's refusal to pay the capital calls breached the JVA Contract, sending the matter on breach of fiduciary duty and conflict of interest to the trial.

In May 2024 the Judge issued a Memorandum Opinion and Order (i.e. a preliminary judgement) awarding Skanska and Granite ca. $79M and invites all parties to file submissions for costs.

On 26 July 2024, the parties received the negative final judgment ordering Lane and Webuild to pay ca USD 93.5M to the partners. On 25 September 2024, Webuild and Lane filed an appeal against this decision. The Court of Appeal therefore invited the parties to attempt mediation, which proved unsuccessful. The parties are awaiting the setting of a date for the appeal hearing.

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. On 29 January 2021, the commissioner (appointed after other commissioners resigned or did not accept the position and interim reports) 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. These amounts are included in the requests made by Fibe as part of the civil proceedings.

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 revocation due to inconsistent rulings and the error of fact made by the Appeal Judge. The Council of State accepted the appeal for revocation 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 performance 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 withdrawal of jurisdiction 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 revoked 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 dismissing both appeals and confirming the Council of State's ruling no. 1674/21 on the revocation 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 given the partial nature of the information available 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. In October 2023, the deadline was extended by another six months to the end of June 2024.

While the special commissioner was carrying out their activities, the technical unit notified the parties of:

- on 31 December 2023, decree no. 512 of the unit manager dated 30 December 2023 stating that Fibe should be paid €7.7 million based on a report prepared by the unit's technical staff;
- on 12 January 2024, decree no. 3 of the unit manager offsetting this receivable of €7.7 million plus interest of €1.3 million (for a total of €9 million) against the larger receivable due by it to FIBE as ruled by the Naples Court with its judgement no. 4658/2019.

Fibe has challenged these measures and the report before the Council of State with a compliance appeal and complaint against the provisions of the special commissioner that considered their work to be completed following the assessment ordered by the technical unit.

With its ruling published on 22 July 2024, the Council of State:

- accepted the compliance appeal and (i) declared the partial nullity of the technical unit's assessment due to evasion of the res judicata and (ii) declared void the offsetting made by the technical unit between a receivable due to Fibe from the public administration, still subject to judgement by the Naples Appeal Court, and a payable from Fibe, arising from the compliance ruling;
- accepted the appeal and ordered the special commissioner to: (i) pay Fibe €7.7 million plus the legal interest and (ii) complete the checks on the additional reports to be recognised taking into account what has been filed in court by Fibe with the instructions to stick to the criteria already adopted in the past for the verification of the reports, omitting the use of new requests.

On 8 October 2024, Fibe collected approximately €9.1 million.

The Rome Court assigned Fibe the total amount of approximately €71 million which it collected on 20 July 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.

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. In the ruling of 12 February 2016, the judge dismissed the request for default interest submitted by Fibe, which Fibe challenged. With its ruling no. 2383/2023 published on 30 March 2023, the Appeal Court ruled that the first level judgment was procedurally null and void given the absence of the third party subjected to attachment in the same trial and, therefore, referred the case to the first level judge for integration of the cross-examination and summary judgement.

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 €33 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 appealed to the Council of State against both rulings. With order no. 8037 of 5 October 2024, the Council of State deferred the decision about the "environmental restoration" pending the ruling to be handed down by the judge as part of the civil proceedings (point 2) as this issue is included in those proceedings. With respect to the conformity deed, the Council of State accepted Fibe's claim about the lack of jurisdiction in its order no. 8507 of 21 October 2024 and referred the case to the Supreme Court for its decision.

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 the subject of the proceedings, was filed with the Council of State, which 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 appealed this ruling before the Supreme Court, which issued a joint ruling no. 3077/7023 dated 1 February 2023, accepting Fibe's appeal and quashing the ruling in question referring the case to the Superior Court of Public Waters (with a different composition to that of the previous hearing). Before the judges' rulings, Fibe had completed the characterisation operations for the above sites, but this does not constitute any admission of liability whatsoever.

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 Naples 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 acquitted all the individuals involved in the proceedings by reason of statute of limitation. The hearing will continue for the companies and the one individual (a police officer, who waived the statute of limitations defence) involved. The public prosecutor has requested total acquittal for the companies and individuals as there is no case to discuss.

COCIV consortium

On 26 October 2016, some managers and employees of COCIV were arrested as were other persons (including the chairperson 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 were investigating alleged obstruction of public tender procedures, corruption and, in some cases, criminal organisation.

Specifically, with respect to the Genoa investigations, 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 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 (and for which the related deadline expired shortly after presentation of the appeal), 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 which was time-barred). On 2 September 2024 the plaintiff claiming damage formalized the declaration of renunciation of the appeal previously presented against the sentence of the Court of Genoa of acquittal of the crime of auction rigging. At the same time, the declaration of revocation of the civil action against the accused Group managers was also notified.

At the date of preparation of this report, a date for the appeal hearing has not yet been set and, in the meantime, the civil party renounced the appeal and revoked its appearance in court.

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 raised by the Preliminary Hearing Judge 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 Preliminary Hearing Judge at the Bolzano Court set a new date for a preliminary hearing as 13 October 2023. After checking the appearance of the parties, the Judge noted some defects in the notification of the summons, in particular to the entities charged with Legislative decree no. 231 offences, and ordered the irregular notifications be remedied. The judge recently revealed their incompatibility (having been part of the Review Court called to decide on an incidental issue during the investigation) and sent the documents to the Chief Judge for the assignment of the file to another judge. On 5 June 2024, the notice setting the preliminary hearing for 16 July 2024 before the new Preliminary Hearing Judge was served. The preliminary hearing has been postponed many times and has not yet been held.

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 crime has been time-barred for years.

Ministry of the Environment / Autostrade per l'Italia S.p.A. - Todini Construction Generali (now HCE Construction + 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 million 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 amount.

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.

COSSI - COCIV - Genoa railway junction - Criminal proceeding no. 13503/2023

On 11 April 2024, Cossi Costruzioni S.p.A. was notified of a warrant for inspection of places and things with which the company learned that it was being investigated pursuant to Legislative decree no. 231/2001 in relation to the contravention of management of non-hazardous special waste (article 256.1.a) of Legislative decree no. 152/2006) allegedly performed by the manager of the Genoa - Fegino - Lot 2 work site as part of the works to build the Genoa railway junction: upgrading of the Genova Voltri - Genova Brignole infrastructure.

The proceeding is underway.

Litigation related to the Astaldi liquidation of the perimeter of Astaldi

Metro C (Italy)

Actions related to default of the implementing act:

1a) 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.

1b) 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 that 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.

With its ruling no. 1338/2023 of 27 January 2023, the Rome Court declared Roma Capitale's lack of capacity to be sued, ordered Roma Metropolitane to pay Metro C the sum of €1.2 million plus interest from the individual deadlines to the payment date and dismissed the other requests for compensation for damage proposed by Metro C against Roma Metropolitane. Both Metro C and Roma Metropolitane have appealed this ruling and the related hearing is underway.

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 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.

Alto Piura hydroelctric project (Peru)

The Obrainsa Astaldi joint venture was awarded the contract to build the Alto Piura hydroelectric project with the Client PEIHAP (Proyecto Especial de Irrigacion e Hidroenergetico del Alto Piura). On 23 October 2018, the Client 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 Client presented its counterclaim for €56 million, mainly for alleged indirect damage. The first four arbitration hearings ruled in favour of the joint venture, awarding it €6.4 million (Astaldi's share: €3.2 million). The fifth award was notified on 28 August 2023 rejecting the joint venture's claims about the unlawful termination of the contract. It found that both parties were responsible and the joint venture was not due any compensation for damage or additional costs incurred as a result of the termination. Therefore, the amount due for the Client's undue enforcement of the performance guarantees of PEN47.5 million (approximately €11.6 million) is to be returned as part of the amounts involved in winding up the contract. Since the two parties were not able to come to an agreement, on 13 May 2025 the Obrainsa Astaldi joint venture initiated the sixth arbitration proceeding requesting that the liquidation of the Final Certificate be granted to the joint venture.

The Client PEIHAP has initiated annulment proceedings against the five awards obtained. In three cases, the Poder Judicial has upheld the validity of the awards (COA 2, COA 3 and COA 4), while proceedings relating to the other two awards (COA 1 and COA 5) are still pending.

PEIHAP has therefore initiated a constitutional appeal (Proceso de Amparo) against the judgments confirming the validity of awards COA 2 and COA 3. The proceedings are underway.

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

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 Merino 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 contractual 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 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 at both first and second level.

Astaldi was notified by VCGP by registered letter received on 1 July 2021 that the latter has sued Astaldi's chairperson and CEO and Astaldi itself 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 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 Airport of €52 million and that the two proceedings be joined. The ICC joined the two proceedings and set up a new arbitration tribunal.

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. At the date of preparation of this report, the proceeding is underway.

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 jointly with NGE frozen. Webuild immediately filed an appeal for the cancellation of these attachments. On 19 October 2023, the French judge confirmed the preventive attachments which decision Webuild has appealed.

On 7 February 2025, the parties received the award in which the arbitral tribunal fully upheld Webuild's defences: (i) it declared that it has no jurisdiction over Webuild; (ii) it ordered Astaris to pay VCGP the amount of EUR 37 million for the cash calls financed by the latter; (iii) it declared that these amounts can only be paid under the terms of the Astaldi composition agreement (and therefore only through the assignment to the creditor of SFP Astaris and Webuild shares); and (iv) it declared that Astaldi's unsecured debts were not transferred to Webuild as a result of the Demerger. The court also ordered VCGP to pay half of Webuild legal costs incurred, which Webuild has already collected; it compensated the other parties' costs but ordered Astaris to pay VCGP an amount to rebalance the arbitration costs.

Following this ruling, VCGP lifted the seizure on all Webuild accounts in France, as described in the previous paragraphs.

On 13 March 2025, VCGP challenged the award before the Swiss Federal Court in Lausanne. Webuild and Astaris are organising their respective defences.

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 repeatedly asked the arbitration tribunal to suspend the proceedings. In view of the ongoing negotiations for a final settlement of all pending disputes, the parties agreed to abandon the arbitration proceedings during the hearing on 14 March 2025, a request that was accepted by the arbitral tribunal ordering to terminate the arbitration proceedings on 2 April 2025.

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 Sucursal 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 (the “first award”) was notified to the parties on 4 January 2022, rejecting Astaldi’s claims and ordering Astaldi Sucursal Chile to pay SCMS approximately €150 million. Astaldi Sucursal Chile has appealed against the award to the competent Appeal Court (the Queja appeal).

In the meantime, in accordance with Chilean law, the enforcement procedure was initiated by SCMS before the arbitrator that issued the award and this proceeding is still underway at the date of preparation of this report.

On 1 August 2022, the Santiago Appeal Court deemed the limit of liability provided for in the contract to be applicable. This should reduce the amount to a maximum of UF2.3 billion (Chile’s unit of account - Unidad de Fomento; at the current exchange rate, approximately €88 million).

Astaldi Sucursal Chile challenged the Appeal Court’s decision, which dismissed the Queja appeal, before the Supreme Court in mid September 2022. On 12 June 2023, the Supreme Court handed down its ruling rejecting the appeal, stating that the Appeal Court was responsible for possibly decreasing the original award and that it was up to the arbitration tribunal to establish the definitive amount of the ruling. On 11 May 2024, the arbitration tribunal issued its definitive award (the “second award”) establishing that: (i) the amount of the first award was to be reduced to approximately €92 million, plus VAT, as per the Appeal Court’s decision and (ii) the payment obligations as per the first and second award are not included in the local composition with creditors procedure.

A number of appeals have been lodged against the second award, currently underway.

In the meantime, SCMS commenced a procedure in Delaware (US), Ontario and Quebec to have the award issued against Astaldi Sucursal Chile acknowledged and enforced against Webuild, as the assumed successor of Astaldi (now Astaris) as a result of the demerger. Webuild has asserted its non-involvement in the events.

In this regard, on 30 April 2024 Webuild started a litigation in Italy against SCMS and Astaris to ascertain that the award is an unsecured debt of Astaldi, and therefore cannot be enforced against Webuild. All the proceedings are still ongoing.

On 16 August 2023 Webuild received a decision from the Courts in Ontario establishing that Ontario is forum non conveniens, suspending the enforcement proceedings until the determination of the merits-based issues in Italy. This decision was appealed by SCMS.

On 27 September 2024, the Delaware court rejected SCMS's request for enforcement of the arbitration award against Webuild and declared that it lacked jurisdiction. SCMS has appealed this decision.

The proceedings in Quebec are suspended until 15 November 2025.

In the meantime, SCMS has initiated the same proceedings in Connecticut, and Webuild has requested bifurcation of the proceedings between the jurisdiction of the Connecticut court and the merits of enforcement. The parties are awaiting a decision on this issue.

<u>I-405 Expressway (USA)</u>

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 claimed that both ACC and

Astaldi (its parent and guarantor) were 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 challenged OHL's claims and 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.

On 23 October 2023, the arbitration tribunal handed down its declaratory award, which established that ACC was in default as of 14 June 2019 and this constitutes a violation of the JV Agreement. ACC was solely ordered to pay OHL's legal cost, which it has already done.

As a result of the above award, in April 2024, OHL commenced a second arbitration proceeding against ACC and Webuild (as Astaldi's purported successor in position of ACC's guarantor), demanding that they pay certain amounts that OHL claims are necessary for the project (these amounts have not yet been quantified). Webuild considers that it has no obligation in this regard. Astaris requested to participate in this proceeding to clarify its position regarding the guarantee given for ACC's obligations. The proceeding is underway.

Railway project E-59 (Poland)

On 27 September 2018, Astaldi notified the Client (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 Client replied by terminating the contract alleging the contractor's default and requesting payment of the fine (PLN130.9 million; €29 million) and collecting 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 collected performance guarantees (€9.4 million). The Client 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 at the date of preparation of this report.

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). Tthe proceeding is underway.

In October 2024, the Client contacted Astaris and Webuild to initiate an attempt at final mediation on all disputes relating to the railway projects. Mediation is ongoing.

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 Client (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 Client replied by terminating the contract alleging the consortium's default and requesting payment of the fine (PLN248.7 million; €55 million) and collecting 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 collected guarantees (€21.7 million). The Client also requested repayment of PLN66.8 million (€15 million, including interest) it had paid to the subcontractors.

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.

In October 2024, the Client contacted Astaris and Webuild to initiate an attempt at final mediation on all disputes relating to the railway projects. Mediation is ongoing.

E60 Zemo Osiauri - Chumateleti (Georgia)

Due to the Client'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 Client's contractual breaches. In December 2018, the Client responded by collecting the guarantees for a total of €24.1 million. The arbitration proceeding also includes the application for the return of the collected guarantees 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 Client roughly €15 million. Astaldi gave its legal advisors a mandate to appeal the award before the Paris (France) arbitration tribunal and the proceeding is underway.

The Road Department had incidentally requested that Astaldi's appeal be found inadmissible as the actual party to which the award was applicable was Webuild and not Astaldi (allegedly due to the demerger) and that, therefore, only Webuild (and not Astaldi) had the right to appeal. On 3 October 2024, the Paris Appeal Court found in favour of Astaldi and (i) dismissed the Road Department's request that the appeal be found inadmissible and (ii) confirmed that the enforcement of the award was deferred until a final ruling is handed down on the appeal for annulment.

On 22 September 2023, the Milan Appeal Court accepted the Road Department's appeal as per article 839 of the Code of Civil Procedure and ruled that the ICC's award was enforceable in Italy. Astaris lodged an objection and a preliminary request to: (i) suspend the award's enforceability and (ii) suspend the opposition proceedings pending the definition of the award proceeding taking place in Paris. The Milan Appeal Court dismissed the request to suspend the enforceability of the award and, on 16 May 2024, suspended the proceedings pending the completion of the French award proceeding.

Webuild has, for its part, initiated a negative declaratory action at the Rome Court against the Road Department and Astaris to have it declared that the award cannot be enforced against Webuild as it is an unsecured creditor of Astaldi. The proceeding is underway.

Tax disputes

Webuild S.p.A.

With respect to the principal tax disputes:

- 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 Clients 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. In 2023, the tax authorities served another assessment notice concerning 2016, which is based on the same allegations made for 2015. The portion of assessed tax attributable to the Group amounts to about €10.6 million. Since the consortium again deems that its accounting treatment is correct, it is availing of the legal instruments available under Peruvian 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 (USD4.5 million). On 30 January 2024, the Court of Appeals of the Internal Taxes and Customs notified an act, whereby it recalculated the income tax due by the branch for 2012 and assessed higher taxes of approximately USD8.7 million and adjusted the related fine to roughly USD4.4 million, plus interest of about USD10.9 million, therefore claiming a total amount of approximately USD24 million. With the assistance of its local advisors, the branch has commenced the procedures to challenge all assessments and filed its appeal with the Administrative Court on 1 May 2024.

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, on 18 November 2022, the tax authorities presented a counter-appeal, with respect to which they entered an appearance within the legal term. With respect to the second appeal, the second level ruling was unfavourable to Astaldi (now Astaris), which duly resorted 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.

<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 duly resumed the proceeding.

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.

FINANCING

€750,000,000 5.875% Notes due 15 December 2025

On 15 December 2020 the Issuer issued the €550,000,000 5.875 per cent. Notes due 15 December 2025 (the "**Original 2025 Notes**"), which were used in part to purchase the 2021 Notes tendered by holders and to refinance other existing indebtedness.

On 28 January 2021, Webuild issued an additional €200,000,000 5.875 per cent. Notes due 15 December 2025 (the "**New 2025 Notes**" and, together with the 2025 Original Notes, the "**2025 Notes**"), which are consolidated with and form a single series with the 2021 Original Notes.

The 2025 Notes are in the denomination of €100,000 each and bear interest at a rate of 5.875% per annum. The 2025 Notes are governed by English law and are traded on the regulated market of Euronext Dublin.

The 2025 Notes were offered to qualified investors only and when the 2025 Notes were issued, they were assigned a rating of BB by Standard & Poor's and a rating of BB by Fitch. These agencies assessed the level of credit-worthiness on the basis of the terms and conditions of the 2025 Notes, taking into account the unsecured and non-preferred nature of the 2025 Notes, in line with Webuild's rating.

The table below sets forth the long term ratings assigned by Standard & Poor's and Fitch to the 2025 Notes as of the date of this Offering Circular, which are in line with the rating assigned to Webuild.

Agency	Rating	Last update
Standard & Poor's	BB	11 July 2024
Fitch Ratings	BB+	30 May 2025

The proceeds of the issuance of the 2025 Notes were used in part to purchase the 2021 Notes tendered by holders and to refinance other existing indebtedness.

The 2025 Notes are unsecured and will at all times rank *pari passu* with all other present and future unsecured and unsubordinated obligations of the Group, save for certain mandatory exceptions of applicable law.

The terms and conditions of the 2025 Notes include standard provisions for financing agreements of this nature, in line with market practice.

On 27 September 2023, following the issue of the 2028 Notes, due in September 2028, worth €450 million, the Group purchased €231 million worth of 2025 notes. Subsequently on 20 June 2024, following the issue of the Notes, due in June 2029, worth €500 million, the Group purchased €271 million worth of 2025 Notes. Subsequently on 31 October 2024, following the issue of the 2030 Notes (as defined below) the Group purchased a further €68 million worth of 2025 Notes. The new amount of the original €750,000,000 5.875% Notes maturing in 2025 is €180,011,000.

The 2025 Notes are subject to the Tender Offer as described under section "*Description of the Issuer – Recent* Developments – *Tender Offer*" above.

€400,000,000 3.875% Sustainability Linked Bond due 28 July 2026

On 19 January 2022, the Issuer issued €400,000,000 3.875% Notes due 28 July 2026 (the "**2026 Notes**").

The 2026 Notes are in the denomination of €100,000 each and bear interest at rate of 3.875% per annum. The 2026 Notes are governed by English law and are traded on the regulated market of Euronext Dublin.

The 2026 Notes were offered to qualified investors only and, when the 2026 Notes were issued, they were assigned a rating of BB by Standard & Poor's and a rating of BB by Fitch. The agency assessed the level of credit-worthiness on the basis of the terms and conditions of the 2026 Notes, taking into account the unsecured and non-preferred nature of the 2026 Notes.

The table below sets forth the long term ratings assigned by Standard & Poor's and Fitch to the 2026 Notes as of the date of this Offering Circular, which are in line with the rating assigned to Webuild.

Agency	Rating	Last update
Standard & Poor's	BB	11 July 2024
Fitch Ratings	BB+	30 May 2025

The proceeds of the issuance of the 2026 Notes were used by the Issuer for repayment of existing indebtedness and for general corporate purposes of the Group.

The 2026 Notes are unsecured and will at all times rank *pari passu* with all other present and future unsecured and unsubordinated obligations of the Group, save for certain mandatory exceptions of applicable law.

The terms and conditions of the 2026 Notes include standard provisions for financing agreements of this nature, in line with market practice.

On 31 October 2024, following the issue of the 2030 Notes, the Group purchased €182 million worth of 2026 Notes. The new amount of the original €400,000,000 3.875% Notes maturing in 2026 is €217,545,000.

The 2026 Notes are subject to the Tender Offer as described under section "*Description of the Issuer – Recent* Developments – *Tender Offer*" above.

€250,000,000 3.625% Notes due 28 January 2027

On 28 January 2020, Webuild issued €250,000,000 3.625% Notes due 28 January 2027 (the "**2027 Notes**").

The 2027 Notes are in the denomination of €100,000 each and bear interest at rate of 3.625% per annum. The 2027 Notes are governed by English law and are traded on the regulated market of Euronext Dublin.

The 2027 Notes were offered to qualified investors only and, when the 2027 Notes were issued, they were assigned a rating of BB by Standard & Poor's. The agency assessed the level of credit-worthiness on the basis of the terms and conditions of the 2027 Notes, taking into account the unsecured and non-preferred nature of the 2027 Notes.

The table below sets forth the long-term ratings assigned by Standard & Poor's to the 2027 Notes as of the date of this Offering Circular, which are in line with the rating assigned to Webuild:

Agency	Rating	Last update
Standard & Poor's	BB	11 July 2024

€126,659,000 in principal amount of the 2027 Notes were issued in exchange for the 2021 Notes. The net proceeds of the issuance of the 2027 Notes that were not issued in exchange for the 2021 Notes (amounting to €123,341,000 in principal amount) were used by the Issuer for repayment of existing indebtedness and for general corporate purposes of the Group.

The 2027 Notes are unsecured and will at all times rank *pari passu* with all other present and future unsecured and unsubordinated obligations of Webuild, save for certain mandatory exceptions of applicable law.

The terms and conditions of the 2027 Notes include standard provisions for financing agreements of this nature, in line with market practice.

€450,000,000 7.000% Notes due 27 September 2028

On 27 September 2023, Webuild issued 450,000,000 7.000% Notes due 27 September 2028 (the "**2028 Notes**").

The 2028 Notes are in the denomination of €100,000 each and bear interest at rate of 7.000% per annum. The 2028 Notes are governed by English law and are traded on the regulated market of Euronext Dublin.

The 2028 Notes were offered to qualified investors only and, when the 2028 Notes were issued, they were assigned a rating of BB by Standard & Poor's and a rating of BB by Fitch. The agency assessed the level of credit-worthiness on the basis of the terms and conditions of the 2028 Notes, taking into account the unsecured and non-preferred nature of the 2028 Notes.

The table below sets forth the long-term ratings assigned by Standard & Poor's to the 2028 Notes as of the date of this Offering Circular, which are in line with the rating assigned to Webuild:

Agency	Rating	Last update
Standard & Poor's	BB	11 July 2024
Fitch Ratings	BB+	30 May 2025

The proceeds of the issuance of the 2028 Notes were used by the Issuer to purchase the 2024 and 2025 Notes tendered by holders, for an overall amount of €450 million. The Group purchased €219 million worth of notes maturing in 2024 and €231 million worth of 2025 notes.

The 2028 Notes are unsecured and will at all times rank *pari passu* with all other present and future unsecured and unsubordinated obligations of Webuild, save for certain mandatory exceptions of applicable law.

The terms and conditions of the 2028 Notes include standard provisions for financing agreements of this nature, in line with market practice.

€500,000,000 5.375% Notes due 20 June 2029

On 20 June 2024, Webuild issued 500,000,000 5.375% Notes due 20 June 2029 (the "**2029 Notes**").

The 2029 Notes are in the denomination of €100,000 each and bear interest at rate of 5.375% per annum. The 2029 Notes are governed by English law and are traded on the regulated market of Euronext Dublin.

The 2029 Notes were offered to qualified investors only and, when the 2029 Notes were issued, they were assigned a rating of BB by Standard & Poor's and a rating of BB by Fitch. The agency assessed the level of credit-worthiness on the basis of the terms and conditions of the 2029 Notes, taking into account the unsecured and non-preferred nature of the 2029 Notes.

The table below sets forth the long-term ratings assigned by Standard & Poor's to the 2029 Notes as of the date of this Offering Circular, which are in line with the rating assigned to Webuild:

Agency	Rating	Last update
Standard & Poor's	BB	11 July 2024

Fitch Ratings	BB+	30 May 2025

Part of the proceeds of the issuance of the 2029 Notes were used by the Issuer to purchase the 2024 Notes and 2025 Notes tendered by holders, for an overall amount of €341,923,000.

The 2029 Notes are unsecured and will at all times rank *pari passu* with all other present and future unsecured and unsubordinated obligations of Webuild, save for certain mandatory exceptions of applicable law.

The terms and conditions of the 2029 Notes include standard provisions for financing agreements of this nature, in line with market practice.

€500,000,000 4.875% Notes due 30 April 2030

On 31 October 2024, Webuild issued 500,000,000 4.875% Notes due 30 April 2030 (the "**2030 Notes**").

The 2030 Notes are in the denomination of €100,000 each and bear interest at a rate of 4.875% per annum. The 2030 Notes are governed by English law and are traded on the regulated market of Euronext Dublin.

The 2030 Notes were offered to qualified investors only and, when the 2030 Notes were issued, they were assigned a rating of BB by Standard & Poor's and a rating of BB by Fitch. The agency assessed the level of credit-worthiness on the basis of the terms and conditions of the 2030 Notes, taking into account the unsecured and non-preferred nature of the 2030 Notes.

The table below sets forth the long-term ratings assigned by Standard & Poor's to the 2030 Notes as of the date of this Offering Circular, which are in line with the rating assigned to Webuild:

Agency	**Rating**	**Last update**
Standard & Poor's	BB	11 July 2024
Fitch Ratings	BB+	30 May 2025

Part of the proceeds of the issuance of the 2030 Notes were used by the Issuer to purchase the 2025 Notes and 2026 Notes tendered by holders, for an overall amount of €250,000,000.

The 2030 Notes are unsecured and will at all times rank *pari passu* with all other present and future unsecured and unsubordinated obligations of Webuild, save for certain mandatory exceptions of applicable law.

The terms and conditions of the 2030 Notes include standard provisions for financing agreements of this nature, in line with market practice.

€100,000,000 Term Facility Agreement

In May 2021, Webuild entered into a €100,000,000 term facility agreement with a pool of banks (including one of the Managers) (as amended and supplemented from time to time, the "**€100,000,000 Term Facility Agreement**"), to finance the financing need of a project of the Group.

As of the date of this Offering Circular, the €100,000,000 Term Facility Agreement has been fully drawn down and the outstanding principal indebtedness is equal to €100,000,000.

The €100,000,000 Term Facility Agreement, which is governed by Italian law, matures in December 2025, without prejudice to Webuild's right to make voluntary early total or partial repayments.

The rate of interest on the €100,000,000 Term Facility Agreement is the aggregate of the applicable Euribor plus a margin. The €100,000,000 Term Facility Agreement is not secured by any collateral and is not guaranteed by any personal guarantee.

The €100,000,000 Term Facility Agreement includes standard provisions for facilities agreements of this nature, in line with market practice, including, inter alia, financial covenants, information covenants, negative pledge undertaking and events of default.

€100,000,000 Sustanibility Linked Term Facility Agreement

In August 2024, Webuild entered into a €100,000,000 sustainability linked term facility agreement (the "SL Term Facility") with a bank (as amended and supplemented from time to time, the SL Term Facility), to finance the general corporate and working capital purposes of the Group.

As of the date of this Offering Circular, the SL Term Facility has been fully drawn down and the outstanding principal indebtedness is equal to €100,000,000.

The SL Term Facility, which is governed by Italian law, matures in August 2027, without prejudice to Webuild's right to make voluntary early total or partial repayments.

The rate of interest on the SL Term Facility is the aggregate of the applicable Euribor plus a margin. The SL Term Facility is not secured by any collateral and is not guaranteed by any personal guarantee.

The SL Term Facility Agreement includes standard provisions for facilities agreements of this nature, in line with market practice, including, inter alia, financial covenants, information covenants, negative pledge undertaking and events of default.

€384,000,000 Guarantee Facility Agreement

In August 2019, Astaldi entered into a €384,000,000 guarantee facility agreement with a pool of banks (including some of the Managers and/or their respective affiliates) (as amended and supplemented from time to time, the "€384,000,000 Guarantee Facility Agreement"), ranking super senior (prededucibile) pursuant to Article 182-quarter, paragraph 1, of the Italian Bankruptcy Law, pursuant to which the banks made available to Astaldi (i) a term guarantee facility in an aggregate amount equal to €196,900,000 and (ii) a term guarantee facility in an aggregate amount equal to €187,100,000, for the issue of guarantees aimed at the prosecution of Astaldi's business activities and to the realisation of its plan for the composition with creditors (piano concordatario).

As of the date of this Offering Circular, the facility has been partially drawn down for an amount equal to approximately €80million.

Starting from the effective date of the demerger of Astaldi in Webuild (i.e., 1 August 2021), the €384,000,000 Guarantee Facility Agreement has been transferred to Webuild.

The facility matures in August 2029, without prejudice to Webuild's (i) right to make total or partial voluntary early repayments and (ii) mandatory prepayment obligations in case of, inter alia, illegality or change of control.

The €384,000,000 Guarantee Facility Agreement is not secured by any collateral and is not guaranteed by any personal guarantee.

The €384,000,000 Guarantee Facility Agreement includes standard provisions for facilities agreements of this nature, in line with market practice, including, inter alia, information covenants, limitations on financial indebtedness, negative pledge undertaking and events of default (including, for instance, cross-default in relation to the "financial indebtedness" (whose definition is set out therein) of any member of the Group (other than "project companies" identified therein) for an amount exceeding certain materiality thresholds).

The €384,000,000 Guarantee Facility Agreement is governed by Italian law.

Revolving credit facilities

The Issuer also has the availability of revolving credit facilities for an aggregate amount equal to €900,000,000 for which, as at 23 June 2025, the outstanding principal indebtedness is equal to €323,000,000 as described further below (the "**Revolving Credit Facilities**").

€ 50,000,000 Revolving Facility Agreement

In April 2024, Webuild entered into a €50,000,000 revolving facility agreement with a bank (as amended and supplemented from time to time, the "**€50,000,000 Revolving Facility Agreement**"), to finance the general corporate and working capital purposes of the Group.

The €50,000,000 Revolving Facility Agreement has been fully drawn down and the outstanding principal indebtedness is equal to €50,000,000.

The €50,000,000 Revolving Facility Agreement, which is governed by Italian law, matures in April 2027, without prejudice to Webuild's right to make voluntary early total or partial repayments.

The rate of interest on the €50,000,000 Revolving Facility Agreement is the aggregate of the applicable Euribor plus a margin. The €50,000,000 Revolving Facility Agreement is not secured by any collateral and is not guaranteed by any personal guarantee.

The €50,000,000 Revolving Facility Agreement includes standard provisions for facilities agreements of this nature, in line with market practice, including, inter alia, financial covenants, information covenants, negative pledge undertaking and events of default.

€850,000,000 Revolving Facility Agreement

In November 2023, Webuild entered into a €850,000,000 revolving facility agreement with a pool of banks (including some of the Joint Lead Managers and/or their respective affiliates) (as amended and supplemented from time to time, the "**€850,000,000 Revolving Facility Agreement**"), to refinance part of its financial indebtedness and to finance the general corporate and working capital purposes of Webuild.

The €850,000,000 Revolving Facility Agreement has been partially drawn down and the outstanding principal indebtedness is equal to €273,000,000.

The €850,000,000 Revolving Facility Agreement, which is governed by Italian law, matures in November 2026, without prejudice to Webuild's right to make voluntary early total or partial repayments.

The rate of interest on the €850,000,000 Revolving Facility Agreement is the aggregate of the applicable Euribor plus a margin. The €850,000,000 Revolving Facility Agreement is not secured by any collateral and is not guaranteed by any personal guarantee.

The €850,000,000 Revolving Facility Agreement includes standard provisions for facilities agreements of this nature, in line with market practice, including, inter alia, financial covenants, information covenants, negative pledge undertaking and events of default.

TAXATION

The statements herein regarding taxation are based on the Italian laws in force and published practices of the Italian Tax Authorities as at the date of this Offering Circular and are subject to any changes in law and interpretation occurring after such date, which changes could be made on a retroactive basis. The Issuer will not update this summary to reflect changes in Italian laws and/or in practice and if such a change occurs, the information in this summary could become invalid.

The following is a summary only of the material Italian tax consequences of the purchase, ownership and disposal of Notes for Italian resident and non-Italian resident beneficial owners only and it is not intended to be, nor should it be constructed to be, legal or tax advice.

The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, ownership or disposition of the Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules.

This summary also assumes that the Issuer is resident in the Republic of Italy for tax purposes, is structured and conducts its business in the manner outlined in this Offering Circular. Changes in the Issuer's organisational structure, tax residence or the way it conducts its business may invalidate this overview. This overview also assumes that each transaction with respect of the Notes is at arm's length.

*Law of 9 August 2023, No. 111, setting out the principles for a comprehensive reform of the Italian tax law (the "**Tax Reform**"), has delegated power to the Italian Government to enact, within twenty-four months from approval, one or more legislative decrees to implement the Tax Reform. The Tax Reform should significantly change the taxation of financial incomes and capital gains and introduce various amendments in the Italian tax law at different levels. To date, the Italian Government has not approved any legislative decree in relation to the tax considerations set out in this Offering Memorandum. Therefore, the precise nature, extent, and impact of any future amendments in the context of the Tax Reform cannot be quantified or foreseen with certainty at this stage.*

***Prospective purchasers of the Notes are advised to consult their own tax advisers concerning the overall tax consequences under the tax laws of the country in which they are resident for tax purposes and of any other potentially relevant jurisdiction of acquiring, holding and disposing of the Notes and receiving payments of interest, principal and/or other amounts under the Notes, including in particular the effect of any State, regional or local tax laws**.*

Tax treatment of interest

Legislative Decree 1 April 1996, No. 239 ("**Decree 239**") set forth the tax regime applicable to interest, premium and other proceeds (including any proceeds from zero coupon Notes, hereinafter collectively referred to as "**Interest**") deriving from Notes (*obbligazioni*) and similar securities (pursuant to Article 44(2)(c) of Presidential Decree No. 917 of 22 December 1986, No. 917 ("**Decree 917**")), issued – *inter alia* – by Italian companies whose shares are listed on a EU/EEA regulated market or on EU/EEA a multilateral trading facility, provided that such country allows an adequate exchange of information with the Republic of Italy, as included in the Ministerial Decree of 4 September 1996 (the "**White List**").

For these purposes, securities similar to Notes (*titoli similari alle obbligazioni*) are securities that incorporate an unconditional obligation for the Issuer to actually pay, at maturity (or at any earlier redemption), an amount not lower than their nominal/face/principal value, with or without the payment of periodic interest, and that do not provide any right of direct or indirect participation in, or control on, the management of the Issuer or of the business in connection with which they are issued.

Italian-resident Noteholders

<u>*Noteholders not engaged in an entrepreneurial activity*</u>

If a beneficial owner of the Notes (a "**Noteholder**") is:

(a) an individual not engaged in an entrepreneurial activity to which the Notes are connected;

(b) a non-commercial partnership (other than a *società in nome collettivo* or a *società in accomandita semplice* or a similar partnership) or a *de facto* partnership not carrying out commercial activities;

(c) a public and private entity, other than companies, not carrying out commercial activities, as their exclusive or principal purpose; or,

(d) an investor exempt from Italian corporate income tax;

then Interest stemming from the Notes during the relevant holding period is subject to a substitute tax (*imposta sostitutiva*) withheld at source, levied at a rate of 26 per cent, unless the relevant Noteholder has opted for the application of the portfolio management regime ("**PMR**" or "*regime del risparmio gestito*"), under Article 7 of Legislative Decree 21 November 1997, No. 461 ("**Decree 461**") (see also "*Tax treatment of capital gains — Portfolio Management Regime*" below).

<u>*Noteholders engaged in an entrepreneurial activity*</u>

If a Noteholder is

(a) an individual engaged in an entrepreneurial activity to which the Notes are connected;

(b) an Italian-resident company or similar commercial entity;

(c) a permanent establishment in Italy of a non-Italian resident company to which the Notes are effectively connected;

(d) a public and private entity, other than companies, not carrying out commercial activities, as their exclusive or principal purpose; or

and the Notes are deposited with an authorised intermediary, Interest from the Notes shall not be subject to the substitute tax. Interest accrued on the Notes must, however, be included in the relevant Noteholder's yearly taxable income for the purposes of corporate income tax ("**IRES**"), generally applying at the current ordinary rate of 24% (certain categories of taxpayers, including banks and financial entities are subject to an IRES surcharge equal to 3.5%) and, in certain circumstances, depending on the status of the Noteholder, also in its net value of production for the purposes of Italian regional tax on productive activities ("**IRAP**"). Interest is therefore subject to general Italian corporate taxation according to the ordinary rules.

<u>*Real estate investment funds and real estate SICAFs*</u>

If the Noteholder is an Italian resident real estate undertaking collective investments ("**UCIs**") (including SICAVs and SICAFs), pursuant to Article 6 of Law Decree 25 September 2001, No. 351 (the "**Real Estate Funds**"), the Interest deriving from the Notes, provided that the Notes are timely deposited directly or indirectly with an Italian authorised financial intermediary are not subject to the substitute tax.

However, a withholding or substitute tax of 26 per cent. will apply, in certain circumstances, to income realised by unitholders or shareholders in the event of distributions, redemption or sale of the units or shares. Moreover, subject to certain conditions, income realised by Real Estate Funds or real estate SICAFs is attributed *pro rata* to the Italian resident unitholders irrespective of any actual distribution on a tax transparency basis.

<u>*Non-real estate Funds, SICAVs and non-real estate SICAFs*</u>

If the Noteholder is an Italian resident non-real estate UCIs (including SICAVs and SICAFs), pursuant to Article 73(5-*quinquies*), of Decree 917, the Interest deriving from the Notes, provided that the Notes are timely deposited directly or indirectly with an Italian authorised financial intermediary are not subject to the substitute tax.

<u>*Pension funds*</u>

If the Noteholder is an Italian pension fund subject to the regime provided for by Article 17 of Legislative Decree of 5 December 2005, No. 252, and Article 14-*quater* of Legislative Decree of 14 February 1994, No. 124 ("**Pension Funds**"), the Interest deriving from the Notes, provided that the Notes are timely deposited directly or indirectly with an Italian authorised financial intermediary are not subject to the substitute tax, but must be included in the results of the relevant portfolio accrued at the end of the tax period (which will be subject to a 20 per cent. substitute tax on the increase in value of the managed assets accrued at the end of each tax year - which would include Interest accrued on the Notes). Subject to certain limitations and requirements (including a minimum holding period) Interest in respects to the Notes may be excluded from the taxable base of the 20 per cent. substitute tax.

Application of the imposta sostitutiva

The substitute tax is applied by (i) Italian resident bank, (ii) Italian resident investment entities ("*società di intermediazione mobiliare*"), (iii) asset management companies ("*società di gestione del risparmio*"), (iv) fiduciary company, (v) stockbroker, (vi) Italian permanent establishment of a non-Italian resident bank, (vii) Italian permanent establishment of a non-Italian resident investment entity, (viii) non-Italian resident entities – without an Italian permanent establishment – which have an account with central securities depository ("**CSD**"), a direct link with the Italian Revenue Agency and have appointed a tax representative in Italy, (ix) a CSD, authorized in accordance with Article 80 of the Financial Laws Consolidated Act (each, an "**Authorized Intermediary**").

If the Notes are not deposited with an Authorized Intermediary, the substitute tax is applied by the relevant Italian entity (or permanent establishment in Italy of a non-Italian resident entity) paying the Interest to a Noteholder or, absent that, by the Issuer of the Notes. In such a case the substitute tax is levied to all recipients, regardless their tax status. Each gross-payee Noteholder shall be entitled to deduct the substitute tax in their income tax return.

Non-Italian resident Noteholders

If the Noteholder is non-Italian resident for tax purposes, without a permanent establishment in Italy to which the Notes are connected, an exemption from the substitute tax applies ("**White List Exemption**"), provided that the non-Italian resident beneficial owner is either:

(a) resident, for tax purposes, in a country included in the White List; or,

(b) an "institutional investor", even if not liable to tax, which is established in a country included in the White List. For the purposes of the exemption from substitute tax described above, the term "institutional investor" refers to entities, regardless of their legal form, the main activity of which is the management of financial investments either in their own account or on behalf of third-party investors. This category includes, for example, insurance companies, investment funds, pension funds, asset management companies, as well as any other entity that is subject to regulatory supervision in the country of establishment. Furthermore, even entities that are not subject to supervision may qualify as institutional investors, if they can provide a statement declaring that:

- they have a specific and acknowledged expertise in dealing with financial instruments and they have not been established to manage investments made by a limited number of investors who would have not been entitled for the exemption (i.e., investors resident for tax purposes in Italy or in a not white-list Country); or,
- they are trusts or partnerships that have been set up exclusively for the purpose of managing the investments of foreign institutional investors that are subject to regulatory supervision and are resident for tax purposes or set up in a white-list country; or,

(c) an international body or entity set up in accordance with international agreements, which have entered into force in Italy; or,

(d) a central bank or an entity which manages, *inter alia*, the official reserves of a foreign state.

The exemption is subject to the joint condition that:

(a) the Notes are deposited directly – or indirectly through a "First Level Bank"[(2)] – with an Authorized Intermediary qualifying as a "Second Level Bank";

(b) the non-Italian resident Noteholder submits the First Level Bank or the Second Level Bank (as the case may be) a self-certification, in which it declares to be the beneficial owner of the Interest and to be resident for tax purposes in a White List country. The self-certification must be drafted in conformity with the model approved by Ministerial Decree of 12 December 2001, No. 387[(3)]. The same self-certification must be collected also from the institutional investors.

Conversely, the international organizations established pursuant to international agreements, which are effective in the Republic of Italy must provide the Second Level Bank with a self-certification drafted according to the form 117/IMP, set forth by Ministerial Decree 4 December 1996, No. 632.

No self-certification is required in respect of central banks or entities also managing the official reserves of a State.

[(2)] The term "First Level Bank" means an Italian or foreign bank or financial institution acting as intermediary in the deposit of the Notes held, directly or indirectly, by the Noteholder with a Second Level Bank.
[(3)] In this respect, please note that:

- the self-certification must be obtained before the payment of the proceeds to the Noteholder;
- the self-certification is exempt from the application of stamp duty tax under Table B, Article 5(1), Presidential Decree 26 October 1972, No. 642;
- the self-certification is valid until revoked and it must be submitted again in case of change of any of the relevant data.

Noteholders, that do not meet the requirements set out above, subject to the filing of the required documentation in due time, may apply the reduced rate set forth by the relevant double tax treaties entered by the Republic of Italy.

The substitute tax will be applicable at the rate of 26 per cent to Interest paid to non-Italian resident Noteholders from the above.

Fungible assets

Pursuant to Article 11(2) of Decree 239, where the Issuer issues a new tranche forming part of a single series with a previous tranche, for the purposes of calculating the amount of Interest subject to substitute tax (if any), the issue price of the new tranche will be deemed to be the same as the issue price of the original tranche. This rule applies where (a) the new tranche is issued within 12 months from the issue date of the previous tranche and (b) the difference between the issue price of the new tranche and that of the original Tranche does not exceed 1 per cent of the nominal value of the Notes multiplied by the number of years of the duration of the Notes.

Long-term investment plans ("PIR" or "piani di risparmio a lungo termine")

Article 1(100-114) of Law of 11 December 2016, No. 232, and Article 1(211-215) of Law of 30 December 2018, No. 145, introduced the so-called "*regime of long-term investment plans*" ("**PIR**"), which grants an exemption for capital income stemming from the Notes included into a PIR. The exemption only applies to individuals who are resident for tax purposes in Italy. The investments in PIR cannot exceed EUR 40,000 per year, up to a maximum of EUR 200,000. In order to apply this regime, the PIR must meet the following requirements:

- at least 49% of the capital raised must be invested in financial instruments, including those (i) not traded on regulated markets or in multilateral trading facilities; (ii) issued or stipulated with Italian companies; and (iii) with companies resident in EU Member States/EEA member countries, provided that the latter have a permanent establishment in Italy;
- at least 17.5% of the capital raised must be invested in financial instruments of Italian companies or companies resident in EU Member States/EEA member countries (provided that the latter have a permanent establishment in Italy) that are non-FTSE Milano Indice di Borsa ("**MIB**") companies;
- at least 3.5% of the capital raised must be invested in financial instruments of Italian companies or companies resident in EU Member States/EEA member countries (provided that the latter have a permanent establishment in Italy) that are non-FTSE MIB and non-FTSE Mid Cap companies;
- there must be a holding period of at least five years;
- the capital raised must not be invested for a share exceeding 10% in the financial instruments of the same issuer; and
- the capital raised must not be invested in companies resident for tax purposes in countries that are not included in the White List.

Furthermore, Article 136 of Law Decree of 19 May 2020, No. 34, enacted another type of long-term investment plans (the so-called "***PIR Alternativi***"), that grants an exemption for capital income stemming from the Notes included into a *PIR Alternativi*. The difference between the two long-term savings accounts is mainly related to the different conditions and limitations required by law. Therefore, an investor may set up both a PIR and one or more *PIR Alternativi*. The exemption only applies to individuals who are resident for tax purposes in Italy. The investments in each *PIR Alternativi* shall not exceed EUR 150,000 per year, up to a maximum of EUR 1.5 million. In order for the regime to apply, the *PIR Alternativi* must meet the following requirements:

- at least 70% of the capital raised must be invested, directly or indirectly, in financial instruments, including those not traded on regulated markets or in multilateral trading facilities. The investments may be represented by loans granted to the above-mentioned companies, as well as in their receivables;
- the financial instrument must be issued by companies resident for tax purposes in Italy or EU/ EEA-resident companies having a permanent establishment in Italy that are non-FTSE MIB nor FTSE Mid Cap companies of Italian stock exchange or equivalent regulated markets;
- there must be a holding period of at least five years;
- the capital raised must not be invested for a share exceeding 20% in the financial instruments/receivables of the same issuer/borrower;
- the capital raised must not be invested in companies resident for tax purposes in countries that are not included in the White List.

Tax treatment of capital gains

Italian-resident Noteholders

<u>Noteholders not engaged in an entrepreneurial activity</u>

Capital gains realised by:

(a) Italian resident individual, not conducting an entrepreneurial activity to which the Notes are effectively connected;

(b) Italian resident non-commercial partnerships; or,

(c) Italian resident public and private entities, other than companies, not conducting commercial activities, as their exclusive or principal purpose;

are subject – by default – to the tax return regime ("**TRR**" or "*regime della dichiarazione*") set forth by Article 5 of Decree 461 according to which capital gains will be chargeable, on a cumulative basis, net of any incurred capital losses. Capital losses in excess of capital gains may be carried forward against capital gains realized in any of the four succeeding tax years. The overall capital gain is subject to a 26 per cent substitute tax.

Alternatively, the relevant Noteholder may waive the TRR and apply for:

- the non-discretionary mandate regime ("**NDMR**" or the so-called "*regime del risparmio amministrato*"), pursuant Article 6 of Decree 461, under which the capital gains are taxed on a cash basis through the application of the 26 per cent substitute tax by a Qualified Intermediary[(4)]. The Notes must be deposited at, or managed by, the Qualified Intermediary, under an express election made in writing form by the Noteholder. The Qualified Intermediary, on behalf of the Noteholder,

[(4)] Qualified intermediaries are: (i) Italian resident bank, (ii) Italian resident investment entities ("*società di intermediazione mobiliare*"), (iii) asset management companies ("*società di gestione del risparmio*"), (iv) fiduciary company, (v) stockbroker, (vi) Italian permanent establishment of a non-Italian resident bank, (vii) Italian permanent establishment of a non-Italian resident investment entity, (viii) non-Italian resident entities – without an Italian permanent establishment – which have an account with CSD, and a direct link with the Italian Revenue Agency and have appointed a tax representative in Italy, (ix) Poste Italiane S.p.A.

will carry forward all capital losses incurred by the Noteholder to reduce any future capital gains realized by the investor itself up to the fourth following fiscal year. The Qualified Intermediary is required to pay the relevant amount to the Italian Revenue Agency on behalf of the taxpayer, deducting a corresponding amount from proceeds to be credited to the Noteholder. The Noteholder is not required to report the gains on his annual income tax return; or,

- the PMR (so-called "*regime del risparmio gestito*"), pursuant to Article 7 of Decree 461: in such a case it should be pointed out that the contribution of the Notes under the PMR is a taxable event and, as a consequence, if a capital loss arises as at the date of such contribution (equal to the difference between the value of the Notes at the date of the contribution and their tax basis), it cannot be used to offset capital gains arising under the PMR. Once the Notes are included in the PMR and - consequently - part of a portfolio managed by a Qualified Intermediary, any income arising from the Notes will be included in the net annual result accrued under the PMR. This annual net accrued portfolio result, even if not realized, is subject to a 26 per cent substitute tax levied by the Qualified Intermediary. Any investment portfolio losses accrued at year end may be carried forward against net profits accrued in the four years following the tax year in which the loss was accrued. The Noteholder is not required to report the gains on his annual income tax return.

Noteholders engaged in an entrepreneurial activity

If the Noteholder is an individual or an entity engaged in an entrepreneurial activity, any capital gain deriving from the Notes is not subject to the substitute tax. Any gain obtained from the sale or redemption of the Notes will be treated instead as part of taxable business income (and, in certain circumstances, depending on the "status" of the Noteholder, also as part of net value of the production for IRAP purposes).

Real estate investment funds and real estate SICAFs

If the Noteholder is an Italian resident Real Estate Fund, any capital gain deriving from the Notes is not subject to the substitute tax nor to any other income tax at the level of the real estate investment fund or the real estate SICAF.

Non-real estate Funds, SICAVs and non-real estate SICAFs

If the Noteholder is an Italian resident non-real estate UCIs (including SICAVs and SICAFs), any capital gains deriving from the Notes is not subject to the substitute tax but will be included in the result of the relevant portfolio accrued at the end of the relevant fiscal year even though such result will not be taxed at the level of the Fund, the SICAV or the non-real estate SICAF.

Pension funds

If the Noteholder is an Italian Pension Fund, any capital gain deriving from the Notes is not subject to the substitute tax on capital gains. However, this item of income will be included in the result of the relevant portfolio accrued at the end of the relevant tax period, and subject to 20 per cent. substitute tax. Subject to certain limitations and requirements (including a minimum holding period), capital gains realised in respect of the Notes may be excluded from the taxable base of the substitute tax.

Non-Italian resident Noteholders

Capital gains realized by non-Italian resident Noteholders, without a permanent establishment in Italy to which the Notes are effectively connected, from the sale or redemption of the Notes are:

(a) out of scope from Italian taxation if the Notes are traded in regulated markets. In such a case, the Qualified Intermediary shall have to collect a self-declaration of non-Italian residence for tax purposes in a free format;

(b) exempt from the 26 per cent substitute tax, if the Notes are not traded in regulated markets and provided that the requirements for the above-mentioned White-list Exemption are met;

(c) exempt from the 26 per cent substitute tax, if the Notes are not traded in regulated markets and subject to the filing of the required documentation in due time, upon the application of double tax treaties entered by the Republic of Italy; or,

(d) subject to the 26 per cent substitute tax, if the Notes are not traded in regulated markets and none of the conditions above under (b) or (c) are met.

Should the Notes be deposited at a Qualified Intermediary, the non-Italian resident Noteholders are subject to the NDMR as a default regime. In any case, the Noteholders may waive to the NDMR and opt for the application of the PMR or the TRR.

Long-term investment plans ("PIR" or "piani di risparmio a lungo termine")

The principles set out above with reference to the PIR and the *PIR Alternativi* shall apply also for capital gains stemming from the Notes, provided that the Notes are included in a long-term investment plan. In such a case the capital gains shall be exempt from Italian taxation, if the requirements are met.

Certain reporting obligations for Italian-resident Noteholders

Article 4 of Law Decree 28 June 1990, No. 167 ("**Decree 167**"), requires that if:

(a) Italian resident individuals;

(b) Italian non-commercial partnership (other than a *società in nome collettivo* or a *società in accomandita semplice* or a similar partnership) or a *de facto* partnership not conducting commercial activities; and,

(c) Italian public and private entities, other than companies, not conducting commercial activities, as their exclusive or principal purpose;

hold the Notes abroad, they must, in certain circumstances, disclose these investments or financial assets to the Italian Revenue Agency in their income tax return, regardless of the value of such assets (except for deposits or bank accounts having an aggregate value not exceeding the EUR 15,000 threshold throughout the year, which per se do not require such disclosure). The requirement applies also where the persons above, being not the direct holders of the financial assets, are the actual economic owners thereof for the purposes of anti-money laundering legislation.

No disclosure requirements exist for Notes held under a NDMR or PMR with a Qualified Intermediary, provided that the items of income stemming from the Notes have already been subject to substitute tax (if any).

Italian inheritance tax and gift tax

Legislative Decree 31 October 1990, No. 346, set forth the rules regarding the transfers of any asset (including the Notes), as a result of donation or succession to:

- Italian resident individuals; and,

- non-Italian resident individuals, provided that the Notes are issued by Italian resident companies.

The taxation applies as follow:

(a) 4 per cent for transfers in favour of the spouse or direct relatives exceeding, for each beneficiary, a threshold of EUR 1 million;

(b) 6 per cent for transfers in favour of siblings exceeding, for each beneficiary, a threshold of EUR 100,000;

(c) 6 per cent. for transfers in favour of relatives up to the fourth degree and to all relatives in law in direct line and to other relatives in law up to the third degree, on the entire value of the inheritance or the gift; and

(d) 8 per cent. for transfers in favour of any other person or entity, on the entire value of the inheritance or the gift.

If the heir/heiress or done is a person with a severe disability pursuant to Law of 5 February 1992, No. 104, the inheritance tax or gift tax is applied to the extent that the value of the inheritance or gift exceeds EUR 1.5 million.

The taxable base is computed as follow:

- if the Notes are listed on a regulated market, the taxable base for inheritance and gift tax purposes is the average stock exchange price of the last quarter preceding the date of the succession or of the gift (including any accrued interest); or,

- if the Notes are not listed, the taxable base for inheritance tax and gift tax purposes is determined by reference to the value of listed debt securities having similar features but traded in a regulated market or, in absence of, by other elements.

Wealth tax – Notes not deposited at an Authorized Intermediary

Article 19(18) of Law Decree 6 December 2011, No. 201, set forth a 0.2 per cent wealth tax applicable to:

(a) Italian resident individuals;

(b) Italian non-commercial partnership (other than a *società in nome collettivo* or a *società in accomandita semplice* or a similar partnership) or a *de facto* partnership not conducting commercial activities;

(c) Italian public and private entities, other than companies, not conducting commercial activities, as their exclusive or principal purpose.

The wealth tax applies on the market value at the end of the relevant year or, if no market value figure is available, the nominal value or the redemption amount or, in the case the nominal or redemption values cannot be determined, on the purchase value of the Notes held. The wealth tax rate is increased to 0.40 per cent in case the Notes held in black-list countries, as listed in Ministerial Decree May 4th, 1999. The wealth tax cannot exceed EUR 14,000 per year for Noteholders other than individuals.

The Noteholders can deduct from the wealth tax due a tax credit equal to any other wealth tax paid in the country where the financial products are held, up to the amount of the Italian wealth tax due.

Stamp duty tax – Notes deposited at an Authorized Intermediary

Article 13(2-*ter*) of Tariff attached to the Presidential Decree 26 October 1972, No. 642, provides for the application of a proportional stamp duty – on an annual basis – to the periodic reports sent by the financial intermediaries to their "clients" (*i.e.*, the Noteholders). The stamp duty applies at 0.2 per cent rate of the market value or, if no market value figure is available, the nominal value or the redemption amount or, in the case the nominal or redemption values cannot be determined, on the purchase value of the Notes held. The stamp duty cannot exceed EUR 14,000 for Noteholders other than individuals.

The 0.2 per cent stamp duty does not apply to the followings entities that do not fall within the definition of "clients" provided by Bank of Italy Decree 20 June 2012: banks, financial companies, electronic money institutions (IMEL), insurance companies, investment companies, UCIs, asset management companies, CSD, pension funds, Poste Italiane S.p.A., Cassa Depositi e Prestiti S.p.A., any other financial intermediary, any other entity belonging to the same banking group, companies that control the financial intermediary, companies that are subsidiaries of the financial intermediary or companies that are subject to common control. For the Noteholders that do not fall in the concept of "clients" for stamp duty purposes, a fixed stamp duty tax of EUR 2.00 is due for each report sent to the Noteholder, pursuant Article 13(1) of Tariff, Part I, attached to the Presidential Decree 26 October 1972, No. 642.

Registration tax

Any deeds related to the issue/subscription/sale/redemption of the Notes are exempt from registration tax, pursuant to Article 8(1) of Table attached to the Presidential Decree 26 April 1986, No. 131.

OECD Common Reporting Standards and EU DAC 6 reporting obligations

The Council Directive 2014/107/EU of 9 December 2014, enacted rules regarding the Common Reporting Standard ("**CRS**") to address the issue of offshore tax evasion.

Under CRS the participating jurisdictions shall obtain – from reporting financial institutions – financial information with respect to all reportable accounts identified by financial institutions based on common due diligence, and reporting procedures and automatically exchange with exchange partners on an annual basis.

The Republic of Italy has enacted CRS with Law of 18 June 2015, No. 95, and Ministerial Decree 28 December 2015, as amended and supplemented.

If the Noteholders hold the Notes through a reporting Italian financial institution (as meant in the Italian Ministerial Decree 28 December 2015), they may be required to provide additional information to such financial institution, to be compliant with CRS requirements. The Italian Revenue Agency may communicate to other CRS countries information about interest and other proceeds of Italian source, including income from the Notes.

The EU Council Directive 2018/822/EU of 25 May 2018 ("**DAC 6**") implemented the mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements. Under DAC 6 intermediaries which meet certain criteria and taxpayers are required to disclose to the relevant tax authorities certain cross-border arrangements, which meet one or more of the hallmarks, performed from 25 June 2018, onwards.

The Republic of Italy has enacted the DAC 6 with Legislative Decree 30 July 2020, No. 100, 2020, and Ministerial Decree on 17 November 2020.

Prospective Noteholders should consult their tax advisors on the tax consequences deriving from the application of CRS and DAC 6.

U.S. Foreign Account Tax Compliance Act (FATCA)

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" ("**FFI**" as defined by FATCA) may be required to withhold on certain payments it makes (foreign passthru payments) to persons that fail to meet certain certification, reporting, or related requirements. The Issuer is a foreign financial institution for these purposes.

Several jurisdictions (including the Republic of Italy) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change.

Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Notes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are filed with the U.S. Federal Register generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date. However, if additional Notes (as described under "Terms and Conditions of the Notes—Further Issues") that are not distinguishable from previously issued Notes are issued after the expiration of the **grandfathering period** and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA.

Noteholders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes.

SUBSCRIPTION AND SALE

The Managers have, in a subscription agreement dated 1 July 2025 (the "**Subscription Agreement**") and made between the Issuer and the Managers upon the terms and subject to the conditions contained therein, jointly and severally agreed to subscribe for the Notes. The Issuer has also agreed to pay certain combined commissions to the Managers as set out therein and reimburse the Managers for certain of their expenses incurred in connection with the management of the issue of the Notes. The Subscription Agreement provides that the obligations of the Managers are subject to certain conditions precedent, and the Subscription Agreement may be terminated in certain circumstance prior to payment for sale of the Notes being made to the Issuer.

In connection with this issue of the Notes, the Managers do not act for or provide services, including providing any advice, in relation to the issue of the Notes to any person other than the Issuer. The Managers will not regard any person other than the Issuer, including actual or prospective holders of the Notes, as its client in relation to the issue of the Notes. Accordingly, the Managers will not be responsible to anyone other than the Issuer for providing the protections (regulatory or otherwise) afforded to its clients.

Notice to prospective investors in the United Kingdom

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a "**retail investor**" means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of English law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of English law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation. Consequently, no key information document required by the UK PRIIPs Regulation for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

In addition, in respect of the Notes, (i) any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received in connection with the issue or sale of any Notes will only be communicated or caused to be communicated in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and (ii) all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom will be complied with.

Notice to prospective EEA investors

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a "**retail investor**" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by the PRIIPs Regulation for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

United States of America

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. treasury regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code of 1986, as amended, and regulations thereunder.

Each Manager has agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver the Notes, (a) as part of their distribution at any time or (b) otherwise, until 40 days after the later of the commencement of the offering and the Issue Date of the Notes, within the United States or to, or for the account or benefit of, U.S. persons, and that it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after commencement of the offering, an offer or sale of Notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Republic of Italy

The offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of this Offering Circular or of any other document relating to any Notes to be distributed in the Republic of Italy, except:

(a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2, letter e) of the Prospectus Regulation and any applicable provision of Legislative Decree no. 58 of 24 February 1998, as amended (the "**Financial Services Act**") and Italian CONSOB regulations; or

(b) in any other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation, Article 100 of the Financial Services Act, Article 34-*ter* of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time, and any other applicable Italian laws and regulations.

In any event, any such offer, sale or delivery of the Notes or distribution of copies of the Offering Circular or any other document relating to the Notes in the Republic of Italy under the preceding paragraphs (a) and (b) above must:

(i) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, Legislative Decree No. 385 of 1 September 1993, as amended (the "**Banking Act**") and CONSOB Regulation No. 20307 of 15 February 2018, as amended from time to time, and any other applicable laws and regulations; and

(ii) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

France

The Notes are not intended to be offered or sold and should not be offered or sold, directly or indirectly, to the public in France nor to be distributed or caused to be distributed and should not be distributed or caused to be distributed to the public in France; the Offering Circular or any other offering material relating to the Notes and such offers, sales and distributions are intended to have been and should be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*), and/or (c) a limited circle of investors (*cercle restreint*) acting for their own account, as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 and D.411-4 of the French Code monétaire et financier.

General

All applicable laws and regulations in each country or jurisdiction in which Notes are purchased, offered, sold or delivered must be complied with and any possession, distribution or publication of this Offering Circular or any other offering material relating to the Notes must comply with applicable laws and regulations. Persons into whose hands this Offering Circular comes are required by the Issuer and the Managers to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Offering Circular or any other offering material relating to the Notes, in all cases at their own expense.

GENERAL INFORMATION

Authorisation

1. The creation and issue of the Notes has been authorised by the resolutions of the board of directors of the Issuer passed on 20 June 2025 and was executed by a resolution (*determina*) of the managing director of the Issuer dated 24 June 2025 pursuant to the powers delegated to the managing director by the aforementioned resolutions of the board of directors.

Listing and Admission to Trading

2. Application has been made to Euronext Dublin for the Notes to be admitted to the trading on the Global Exchange Market. The total expenses related to the admission of the Notes to trading on Euronext Dublin's Global Exchange Market are expected to amount to approximately €5,240.

Legal and Arbitration Proceedings

3. Without prejudice to what is described in the section "*Description of the Issuer – Litigation and Arbitration Proceedings*" on pages 122 to 155 of this Offering Circular, there are no governmental, legal or arbitration proceedings, (including any such proceedings which are pending or threatened, of which the Issuer is aware), which may have, or have had during the 12 months prior to the date of this Offering Circular, a significant effect on the financial position or profitability of the Issuer and the Group.

Significant/Material Change

4. Without prejudice to what described in section "*Risk Factors - Factors that may affect the Issuer's ability to fulfil its obligations under the Notes*" of this Offering Circular, there has been no material adverse change in the prospects of the Issuer or the Group nor any significant change in the financial or trading position of the Issuer or the Group since 31 December 2024.

Auditors

5. The current auditors of the Issuer are PricewaterhouseCoopers S.p.A. ("**PwC**"), whose registered office is at Piazza Tre Torri, 2, 20145 Milan, Italy is an accounting firm authorised and regulated by the Italian Ministry of Economy and Finance (MEF) and registered with the special register of auditing firms held by the MEF. PwC are independent accountants in respect of the Issuer. PwC's appointment was conferred for the period 2024 to 2031 by the shareholders' meeting held on 24 April 2024 and will expire on the date of the shareholders' meeting convened to approve the Issuer's financial statements as at and for the year ending 31 December 2031. PwC has audited the Issuer's annual financial statements, prepared in accordance with International Financial Reporting Standards adopted in the European Union and the Italian regulations implementing Article 9 of Legislation Decree No. 38/05 and has issued unqualified audit reports in accordance with International Standard on Auditing (ISA Italia) on the consolidated financial statements as at and for the year ended 31 December 2024 (please see pages 514-530 of the 2024 Audited Consolidated Financial Statements which are incorporated by reference in this Offering Circular). The auditors of the Issuer for the period between 2015 and 2023 were KPMG S.p.A. ("**KPMG**"), whose registered office is at Via Vittor Pisani, 25, 20124 Milan, Italy. KPMG is an accounting firm authorised and regulated by the Italian Ministry of Economy and Finance (MEF) and registered with the special register of auditing firms held by the MEF. KPMG has audited the Issuer's annual financial statements, prepared in accordance with International Financial Reporting Standards adopted in the European Union and the Italian regulations implementing Article 9 of Legislation Decree No.

38/05 and has issued unqualified audit reports in accordance with International Standard on Auditing (ISA Italia) on the consolidated financial statements as at and for the year ended 31 December 2023 (please see pages 485-491 of the 2023 Audited Consolidated Financial Statements which are incorporated by reference in this Offering Circular). KPMG's appointment was conferred for the period 2015 to 2023 by the shareholders' meeting held on 30 April 2015 and expired on 24 April 2024.

The reports of the Auditors of the Issuer are incorporated by reference in this Offering Circular.

Documents on Display

6. For so long as the Notes remain outstanding and are admitted to trading on the Global Exchange Market, copies (and English translations where the documents in question are not in English) of the following documents will be available for inspection at https://www.webuildgroup.com/en:

   (a) the By-laws (*statuto*) of the Issuer;

   (b) this Offering Circular together with any supplement to this Offering Circular or further Offering Circular; and

   (c) the Paying Agency Agreement and the Trust Deed.

   Furthermore, the Issuer regularly publishes its interim and full year financial statements on its website at http://www.webuildgroup.com, and, for so long as the Notes remain outstanding and are admitted to trading on the Global Exchange Market, audited financial statements for each of the two financial years preceding the publication of this Offering Circular will be available for inspection on the Issuer's website at http://www.webuildgroup.com.

Clearing Systems

7. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The ISIN is XS3106096178 and the common code is 310609617. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg.

Material Contracts

8. The Issuer and the companies forming part of the Group have not entered into any contracts in the last two years outside the ordinary course of their business which could result in the Issuer being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to holders of the Notes.

Potential Conflicts of Interest

9. Each of the Managers will receive a commission (as further described in "*Subscription and Sale*") for the services rendered in the Offering of the Notes.

10. Certain of the Managers and their affiliates have engaged, and may in the future engage, in investment banking, commercial banking transactions and/or other commercial dealings (including, without limitation, the provision of loan facilities and participation in future bond issuances of the Issuer and/or its affiliates) with, and may perform services for the Issuer and its affiliates in the ordinary course of business.

11. In addition, in the ordinary course of their business activities, the Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Certain Managers may, from time to time, also act as liquidity provider on debt securities. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates or any entity related to the Notes. Certain of the Managers and their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Issuer's securities, including potentially the Notes offered hereby. Any such short positions could adversely affect future trading prices of the Notes offered hereby. In particular, in the context of the issue by New Salini of EUR 225 million secured bonds exchangeable into ordinary shares of the Issuer on 30 May 2024, BofA Securities Europe SA entered into a stock lending arrangement with New Salini (see: *Description of the Issuer – Overview*). The Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. For the avoidance of doubt, the term “affiliates” shall include parent companies.

12. Each of BNP PARIBAS, BofA Securities Europe SA, BPER Banca S.p.A., Crédit Agricole Corporate and Investment Bank, Goldman Sachs International, HSBC Continental Europe, Intesa Sanpaolo S.p.A., J.P. Morgan SE, Natixis and UniCredit Bank GmbH and/or their respective affiliates have provided corporate finance and investment banking services to the Issuer in the last twelve months. In particular, BNP PARIBAS, BofA Securities Europe SA, Goldman Sachs International, HSBC Continental Europe, Intesa Sanpaolo S.p.A., J.P. Morgan SE, Natixis, UniCredit Bank GmbH and/or their respective affiliates have acted as lending institutions in relation to certain of the Revolving Credit Facilities, which provide for revolving credit facilities for an aggregate maximum amount equal to €900 million. The net proceeds of the issue of the Notes will be used by the Issuer to repay existing indebtedness (which may include indebtedness provided by some or all of the Managers) and for general corporate purposes of the Group (as further described in “*Estimated Net Amount and Use of Proceeds*”). Each of the Joint Lead Managers will also act as dealer managers on the Tender Offer (see “*Description of the Issuer – Recent Developments – Tender Offer*”).

13. Furthermore, Intesa Sanpaolo S.p.A. is one of the main financial lenders of the Issuer and group companies, and currently owns 2.99% of the issued and outstanding ordinary shares of the Issuer.

14. UniCredit S.p.A., an affiliate of UniCredit Bank GmbH, is also one of the main financial lenders of the Issuer and its group companies.

Yield

15. On the basis of the issue price of the Notes of 100 per cent. of their principal amount, the gross real yield of the Notes is 4.125 per cent. on an annual basis.

Legend Concerning US Persons

16. The Notes and any Coupons appertaining thereto will bear a legend to the following effect: “Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code”.

Post-issuance Information

17. The Issuer will not provide any post-issuance information, except if required by any applicable laws and regulations.

REGISTERED OFFICE OF THE ISSUER

Webuild S.p.A.
Centro Direzionale Milanofiori Strada 6 - Palazzo L
20089 Rozzano
Italy

TRUSTEE

BNY Mellon Corporate Trustee Services Limited
160 Queen Victoria Street
London EC4V 4LA
United Kingdom

PRINCIPAL PAYING AGENT

The Bank of New York Mellon, London Branch
160 Queen Victoria Street
London EC4V 4LA
United Kingdom

LISTING AGENT

Walkers Listing Services Limited
5th Floor, The Exchange George's Dock, IFSC
Dublin 1, D01 W3P9
Ireland

LEGAL ADVISERS

To the Issuer as to Italian law and Italian tax law:

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Via Barozzi, 1
20122 Milan
Italy

To the Managers as to English and Italian law:

Allen Overy Shearman Sterling Studio Legale Associato

Via Ansperto, 5	Corso Vittorio Emanuele II, 284
20123 Milan	00186 Rome
Italy	Italy

To the Trustee as to English law:

Allen Overy Shearman Sterling LLP
One Bishops Square
London E1 6AD
United Kingdom

AUDITORS TO THE ISSUER

From April 2024 to the date of this Offering Circular

PricewaterhouseCoopers S.p.A.
Piazza Tre Torri, 2
20145 Milan
Italy

From April 2015 to April 2024

KPMG S.p.A.
Vittor Pisani, 25
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Italy