# *Half-year financial report at June 30, 2024*

PLC S.p.A.
*Registered office in Acerra - Via delle Industrie, 100*

*Fully paid-up Share Capital Euro 27,026,480.35*
*Tax Code and VAT no. 05346630964*

# 1 GENERAL INFORMATION

## 1.1 CORPORATE BODIES

### BOARD OF DIRECTORS[1]

| | |
|---|---|
| Francesco Esposito | - Chairman |
| Andrea Orlando | - Chief Executive Officer (*) |
| Chiara Esposito | - Director with responsibility for human resources (*) |
| Sara Di Mario | - Independent, non-executive director |
| Andrea Sassi | - Independent, non-executive director |
| Francesco Dagnino | - Independent, non-executive director |
| Laura Scapin | - Independent, non-executive director |

### BOARD COMMITTEES (*)

**Appointments, Remuneration and Stock Option Plans Committee**

Andrea Sassi (Chairman); Laura Scapin and Sara Di Mario (members)

**Control, Risks and Sustainability Committee**

Laura Scapin (Chairman); Sara Di Mario and Francesco Dagnino (members)

### BOARD OF STATUTORY AUDITORS[2]

| | |
|---|---|
| Luca Sintoni | - Chairman |
| Anna Maria Bortolotti | - Standing Auditor |
| Marco Andrea Centore | - Standing Auditor |
| Lucia Tacchino | - Alternate Auditor |
| Paola Fiorita | - Alternate Auditor |

### INDEPENDENT AUDITORS[3]

PriceWaterhouseCoopers S.p.A.

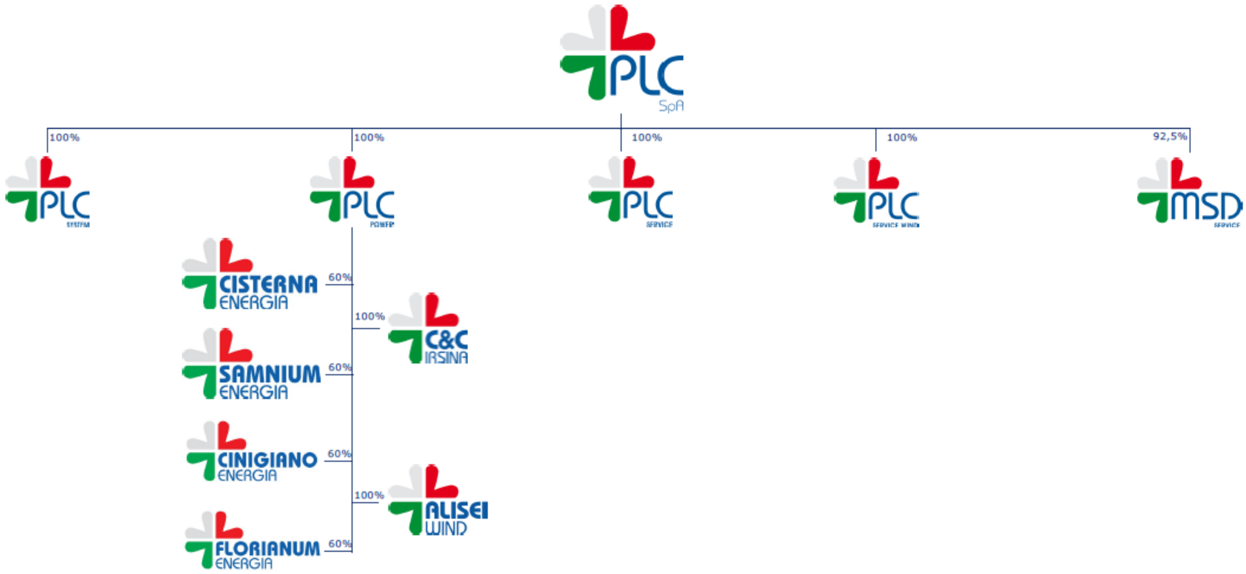
Piazza Tre Torri, 2

20145 Milan

[1] appointed by the Shareholders' Meeting of April 29, 2024
[2] appointed by the Shareholders' Meeting of April 29, 2024
[3] appointed by the Shareholders' Meeting of April 29, 2024

(*) Board appointment of May 9, 2024

## 1.2 OWNERSHIP STRUCTURE OF THE PLC GROUP

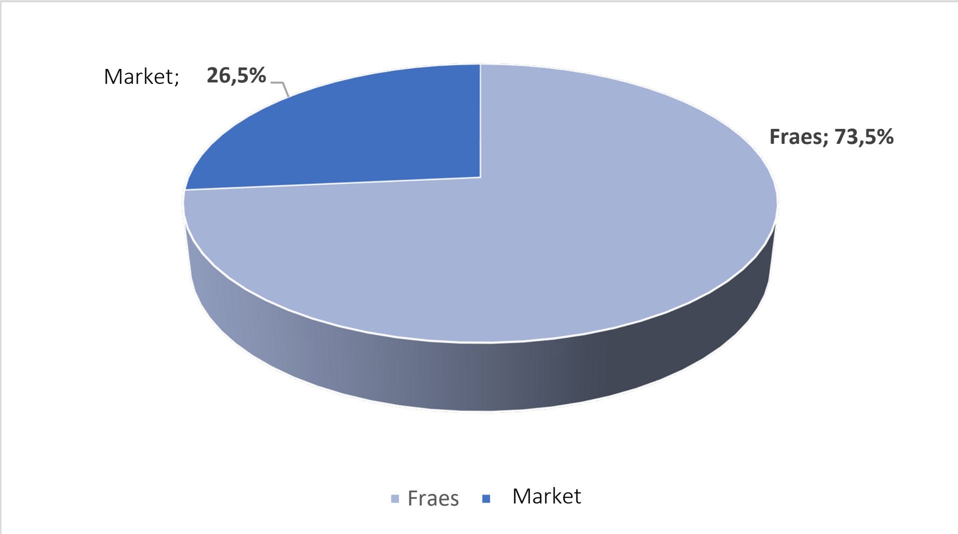



The companies whitin the Schmack Perimeter (specifically, Schmack Biogas S.r.l. and the 3 “Special Purpose Vehicles” controlled/invested by it BioForCH4 S.r.l., Sicily Biomethan S.r.l., and Biomethane Invest S.r.l.), which were excluded from the Group’s shareholding structure already as at December 31, 2023, were sold on March 7, 2024.
Tirreno S.r.l. was excluded from the Group’s shareholding structure as it was sold on July 26, 2024 and treated in accordance with IFRS 5 “Discontinued Operations” in the Financial Report as at June 30, 2024.

## 1.3 SHAREHOLDERS

Below is the situation concerning the shareholding of PLC S.p.A. ("**Company**" or "**Parent Company**" or "**Issuer**") at the date of approval of the Half-Year Financial Report at June 30, 2024 is as follows[4]. 73.5% is held by FRAES S.r.l. and the remaining 26.5% is floating on the market.

To the best of the Company's knowledge, there is only one agreement between shareholders of the Company that is relevant under Article 122 of the TUF, its essential elements are available on the website in the following section: Shareholders' agreements - Plc (plc-spa.it).




[4] Source: Corporate and Consob data

# 2 PLC GROUP MANAGEMENT REPORT

## 2.1 ANALYSIS OF THE OPERATING PERFORMANCE AND OUTLOOK

The PLC Group operates in the market for renewable energies, with particular reference to the photovoltaic and wind sectors, as well as in that of high and medium voltage electrical infrastructures serving power generation or industrial plants in which it carries out engineering, procurement, construction and testing activities ("Engineering & Construction Segment"), monitoring activities and ordinary and extraordinary maintenance and technological modernization of electrical infrastructures, wind turbines, wind and photovoltaic parks ("Services Segment"), as well as development activities of new plants for the production of energy from renewable sources until the authorization process is completed and the "ready to build" stage is reached ("Development Segment").

### The market context

### Macroeconomic

In the first half of 2024, the global economy outperformed expectations, consolidating the recovery that began in 2023; however, risk factors on the future global macroeconomic context remain, relating to both the continuing conflict between Russia and Ukraine - which has already triggered a global energy crisis - and recent developments in the Middle East - which have created disruptions in the supply chains of many countries. It should be noted, however, that the PLC Group has no exposure to these areas.

The slowdown in inflation - observed from the end of 2023 onwards - had fuelled expectations about the start - in the first months of the year - of a process of interest rate cuts by central banks, which was, however, disregarded following the availability of the first 2024 macroeconomic data.

In June, after 10 consecutive hikes (which started in July 2022), the ECB announced a first cut in interest rates; this was accompanied by the expectation of an easing of monetary policy, albeit more gradual than previously estimated, with expectations of sustained interest rates for a longer time frame. During the same period, the Fed did not intervene, maintaining the benchmark interest rate at the July 2023 level.

At the end of the first half of 2024 - despite the marked slowdown in the prices of energy goods - inflation was above the ECB expected targets (the latter being around 2%); in particular, Eurostat reports expected inflation of 2.5% for 2024. In Italy, on the other hand, the Bank of Italy forecasts inflation at 1.1% in 2024, and slightly above 1.5% in the two-year period 2025-2026, a clear reduction compared to 2023 (5.7%); again the Bank of Italy forecasts GDP growth of 0.6% in 2024, 0.9% in 2025 and 1.1% in 2026.

At European level, the macroeconomic picture shows a gradual improvement in the main indicators despite the geopolitical uncertainties and war tensions already mentioned; the escalation of ongoing conflicts and/or the emergence of further crises could affect the ECB monetary policy easing path launched in June - slowing it down or making it less effective.

## Energy

The energy sector - collectively responsible, according to the International Energy Agency (IEA) report "Net Zero by 2050", for the largest share of man-made emissions - and its decarbonization represent one of the key factors in avoiding the possible effects of climate change. According to the path mapped out by IEA, energy efficiency and electrification of consumption (the electric carrier being inherently more efficient) will be key to achieving the targets set.

Consequently, the renewable energy sector confirms itself as a market of great interest, both locally and globally, and an essential element for achieving the objectives of the energy transition and independence of the European bloc. The set of policies and instruments made available to foster the development of innovative renewable technologies, both at European and national level, demonstrate the strategic nature of the sector. The latest regulatory developments have consolidated investors' interest in the renewables sector in Italy; at the same time, a number of critical issues remain, related both to uncertainties over the outcome of authorization processes (in particular with regard to the definition of the so-called "eligible areas") with a direct impact on the development time of new initiatives in renewables, and the conversion into law of the "Agriculture Decree-Law" (with law no. 101/2024) that could have a significant impact on the capacity of new photovoltaic developments on agricultural land.

## The PLC Group

The results of the PLC Group, in the first half of 2024, with operating revenues of Euro 44,158 thousand, a positive EBITDA of Euro 4,097 thousand and a total net profit for the period of Euro 8,605 thousand, show (i) a marked increase in volumes with operating margins solidly positive and higher than the same period of the previous year, and (ii) the definitive overcoming of the critical issues that had heavily conditioned the results of the 2022 financial year, particularly with regard to certain orders of PLC System S.r.l. relating to the construction of the balance of plant of two wind farms, now substantially concluded without further significant effects in the 2024 financial year. The progressive progress of the activities related to the contracts signed between the end of 2022 and 2023 allow the achievement of markedly positive economic operating results, in both the Engineering & Construction Segment and in the Services Segment. The backlog of the assets in the portfolio, despite the growing volumes and the progressive advancement of orders, is steadily around Euro 100 million, in line with previous figures and able to cover the expected revenues for 2024 and a large part of 2025 ones. Complementing the important backlog figure is a robust pipeline of business opportunities under negotiation, also in the region of Euro 100 million.

The half-year figures of the Engineering & Construction Segment are positive and supported by (i) a growing volume of business and (ii) a high average marginality, for the specific type of activities performed, which increased compared to the previous year.

The Services Segment, also in the first half of this year, confirmed its growth trend in both the “recurring” and “non-recurring” O&M components, capitalising on a market window in photovoltaic plant revamping activities - with the advancement of projects contracted in July 2023 with some key market players - that is expected to last, albeit with less sustained volumes, for the next few years.

The economic result for the period is partly influenced by the accounting effects of extraordinary transactions, carried out both in the current year and in previous years; specifically, the following impacts are highlighted:

- about negative Euro 810 thousand, related to the partial waiver of receivables claimed in connection with the sale of 2 wind power projects in 2020 and some price adjustments valued, consistently with the sale contract, on the last payment tranche. This effect, accounted for within ‘Other operating expenses’, negatively impacts the consolidated result for the period at the EBITDA level;
- about Euro 6,700 thousand positive related to the sale - finalized on March 7, 2024 - of the investment held by PLC S.p.A. in Schmack Biogas S.r.l., composed as follows: (i) gain for the sale of the shares of about Euro 5,420 thousand, (ii) price adjustment (already finalized) of about Euro 197 thousand, (iii) costs for legal and financial advisory services to support the completion of the transaction, amounting to a negative amount of about Euro 260 thousand, (iv) accelerated depreciation of the “Customer List” of Schmack Biogas S.r.l. amounting to a negative Euro 182 thousand, (v) write-off of the debt item recorded during the acquisition of 51% of Schmack Biogas S.r.l. and related to the possible exercise by the minority shareholders thereof, of the put option to sell their shares of Schmack Biogas to PLC S.p.A., with a positive impact of about Euro 706 thousand, (vi) other effects related to the removal of Schmack Biogas S.r.l. from the consolidation scope for about Euro 160 thousand negative; (vii) estimate, in accordance with the terms of the sale and based on the medium-term operating and sales results achieved by Schmack Biogas, of potential earn-outs that could accrue to the benefit of PLC S.p.A. in both the short and medium-long term, amounting to about Euro 1,085 thousand; in relation to this point, it should be noted that, as of the date of publication of these financial statements, about Euro 720 thousand have reached (about two-thirds of the overall estimate); (viii) taxes on the overall gain - including points (i), (ii) and (vii) listed above - for about Euro 77 thousand. The effects mentioned above in relation to the sale of Schmack Biogas S.r.l. have been presented in accordance with IFRS 5 under the heading “Profit/loss for the period from discontinued operations” and the comparative period has also been restated in accordance with the same accounting standard;
- about Euro 8 thousand negative related to the result for the period of the company Tirreno S.r.l., the latter being treated as an asset held for sale, in consideration of the prospective sale of the stake held in the company to the minority shareholder finalized on July 26, 2024 (see section “*Significant Events Occurring After June 30, 2024*” for further details); the accounting effects arising from the removal of Tirreno S.r.l. from the consolidation scope of the PLC Group will be recognized in the annual financial report.

The Group's net financial debt - despite the distribution of dividends for about Euro 1.8 million in May - showed a significant improvement from about Euro 1,271 thousand positive at December 31, 2023 to about Euro 3,019 thousand positive at June 30, 2024, thanks to the excellent economic performance of the main business segments and the contribution of the aforementioned sale of Schmack Biogas S.r.l.; we still note the physiological realignment - compared to the figure as of the end of 2023 - of net working capital by virtue, in particular, of the progress of the orders of PLC Service S.r.l. relating to revamping/repowering activities of photovoltaic plants.

## Business outlook

The second half of the year is expected to see a macroeconomic context that is still rather uncertain, characterized by supply chains with delivery times for some critical *items* (in particular, transformers) that are longer than historical and by a still sustained level of interest rates, despite the recent actions and communications of the ECB and the FED aimed at reducing them, which - combined with (i) the instability of electricity reference prices and (ii) the expectations of domestic operators regarding the implementation of the new incentive system envisaged by the RES X decree - could lead some players, particularly foreign and/or financial ones, to postpone the start of construction of new plants, with a possible short-term impact in terms of time shifting at the level of new backlog acquisitions. Nonetheless, considering the strategic nature of the renewable energy sector, the evident market feedback for the PLC Group, as well as the excellent operating results recorded, the Board of Directors has confirmed the targets included in the 2024 guidance previously communicated, at the upper end of their range; considering, moreover, the commercial backlog and pipeline values mentioned above, there are no critical issues regarding the Group's short- and medium-long-term outlook.

The consolidated interim financial statements for the six months ended on June 30, 2024 have therefore been prepared on a going concern basis, as the directors have verified that there are no financial, management or other indicators that could indicate critical issues regarding the Group's ability to meet its obligations in the foreseeable future and, in particular, over the next 12 months.

## Engineering & Construction Segment

The PLC Group carries out **Engineering, Procurement and Construction (EPC)** activity carried out mainly through PLC System S.r.l., which acts as general contractor in the construction of renewable energy power plants, as well as electrical infrastructures for connection to the high and medium voltage grid.

At June 30, 2024, the backlog of construction activities amounted to over Euro 65 million, to be realized by the end of 2025 and the first half of 2026.

The figures of the Engineering & Construction Segment are significantly positive, mainly due to the progress - and to a large extent the completion - of the orders acquired starting from the second half of 2022 and mainly related to the construction of substations, characterized by (i) a sustained and higher marginality than in the past and (ii) limited operating risks, which reduce the possibility of adverse events during the execution phase of construction activities.

Development Segment

The PLC Group, through its subsidiary PLC Power S.r.l. and through special-purpose vehicles, carries out the development of new plants for the production of renewable energy, until authorizations are obtained, to be offered to the market according to the BOT business model, while maintaining, in-house - once the investor to whom the project will be sold has been selected - both the partial or full construction of the plants and subsequent management through multi-year service contracts. In this way, with a modest increase in its risk profile and with limited investments related only to organic development phases, the PLC Group integrated the typical EPC value chain upstream. The half-year figures show:

- the realization of investments - related to organic development phases - amounting to about Euro 265 thousand;
- a negative normalized operating margin of Euro 25 thousand, which is to be considered "ordinary" for activity such as Development, which implies the passage of an authorization process that can last several years, during which costs are incurred without revenues being generated. Instead, the latter will be taken over in a lump sum when the titles necessary to start construction of the plants are sold, once final authorizations have been obtained. It is expected that some activities implemented during the first half of 2024 and earlier may start to produce the expected results during 2025;
- the waiver - already mentioned above - of receivables claimed in connection with the sale - finalized on May 26, 2020 - of the two wind farm projects C&C Uno Energy S.r.l. and C&C Castelvetere S.r.l. with a negative impact, in the first half of 2024, of about Euro 810 thousand at EBITDA level; these receivables were related to some price adjustments valued, consistently with the sale contract, on the last payment tranche.

The overall "pipeline" between wind and photovoltaic technology, including projects at different stages of advancement, is currently about 200 MW in total, of which 160 MW of wind technology - 16 MW at advanced stage and 144 MW at embryonic stage, on which evaluations are also underway for potential conversion to electrochemical storage projects in order to best seize emerging market opportunities - and 40 MW of photovoltaic.

In any case, the PLC Group is always studying its target market and looking for new opportunities to expand its project pipeline, also evaluating technologies other than photovoltaic and wind. Despite the ongoing energy transition process in our country - which, according to the MASE agenda, envisages the installation of more than 17 GW of new wind power plants and 54 GW of photovoltaic plants by 2030 - the regulatory developments of the last few months could generate limitations to the development of traditional photovoltaic projects, leading to the growing interest of market players in new technologies (electrochemical storage, agri-voltaic, innovative renewables).

## Services Segment

The PLC Group offers a wide range of services in the field of renewable energy sources in the wind, photovoltaic, as well as high and medium voltage electrical infrastructures serving RES and industrial plants, through PLC Service S.r.l. and PLC Service Wind S.r.l..

The segment's half-year figures are very positive, confirming the PLC Group's ability to respond promptly and effectively to the needs of a very competitive and rapidly changing market. At June 30, 2024, the backlog of service activities amounted to about Euro 34 million.

As an **Operation & Maintenance (O&M) provider**, the PLC Group provides periodic monitoring of the plants to ensure their maximum efficiency and oversees their "full service" or "partial service" (customized) maintenance, both ordinary and extraordinary as well as predictive. An extensive range of services is offered and differs according to the type of end customer. To guarantee performance levels, the plants are monitored 24 hours a day by the Acerra control room and the end customer is periodically informed of the performance thereof through special reports. The main logistical centers through which the activities are provided are in Italy in Acerra (NA), San Pietro Vernotico (BR), Lentini (SR), Borgo Montello (LT), Casalbore (BN), Martina Franca (TA), Monreale (PA), Gangi (PA), Castel di Iudica (CT), Agrigento, and Raffadali (AG).

The Services Segment contributed positively to the consolidated results, thus confirming the ability of its recurring component to generate results capable of stabilizing overall profitability. The outlook for the second half of the year remains very positive despite an expected physiological reduction in volumes for revamping and repowering activities alone, since these were concentrated - as planned - in the first half of the year.

## Dispatching Services Segment

Consistent with what was communicated in the 2023 Financial Report, in the first months of 2024, assessments were finalized regarding the continuation of operations in this segment, also after the natural conclusion - in December 2023 - of the only contract for dispatching services from renewable sources previously active in the subsidiary MSD Service S.r.l..

These reflections led the Group to the decision to divest this segment; in this regard, on May 15, 2024, the GME ("Gestore dei Mercati Energetici") granted the request to exclude MSD Service S.r.l from the Electricity Market and the Data Reporting Service.

At June 30, 2024, the company was dormant; it was subsequently placed into liquidation (see section *"Significant events occurring after June 30, 2024"* for more details).

## 2.2 SIGNIFICANT EVENTS OCCURRING AFTER JUNE 30, 2024

***Sale of Tirreno S.r.l.***

On July 26, 2024, the sale of the investment held by PLC Power S.r.l. in Tirreno S.r.l. was finalized, for a consideration of Euro 120,000, to the minority shareholder Idea S.r.l..

It should be noted that Tirreno S.r.l. is a special purpose company with registered office in Porto Empedocle (AG), Via Roma, 63 - whose share capital was held 66.6% by PLC Power S.r.l. and 33.4% by Idea S.r.l. - owner of an agricultural land located in Sicily and holder of a connection estimate (STMG), for a feed-in power of 15MW, for the development and construction of a ground-mounted photovoltaic plant. Lastly, it should be recalled that Tirreno S.r.l. is a defendant in a dispute over a fire that occurred on its own land and on a neighbor's land, as a result of which a provision for risks was allocated - initially for Euro 100 thousand and subsequently reduced to Euro 50 thousand.

The reasons for the divestiture are to be found in (i) the impossibility of pursuing the project as originally conceived, being potential ground-mounted photovoltaics on agricultural land, and (ii) the difficulty in finding alternative development solutions (such as, for example, innovative renewables or electrochemical storage) with sustainable economic-financial returns.

In the preparation of the financial statements at June 30, 2024, the assets and liabilities relating to Tirreno S.r.l. were treated, in accordance with IFRS 5, as "Discontinued Operations"; the comparative period has also been restated in line with the provisions of the same accounting standard.

Considering the elements - in particular the value - of the transaction, it was qualified as a "Related Party Transaction of Limited Value" pursuant to the "Related Party Transactions" Procedure adopted by the PLC Group.

***Start of liquidation process of MSD Service S.r.l.***

Consistent with what was previously communicated in the 2023 Financial Report, in the first months of 2024, assessments were finalized regarding the continuation of the operational activity of the company MSD Service S.r.l. and, more generally, of the *"dispatching services"* segment, also in consideration of the natural conclusion - which took place in December 2023 - of the only contract for dispatching services from renewable sources previously active in MSD itself.

As mentioned above, these considerations led the Group to the decision to divest this business segment and to start the liquidation process of MSD Service S.r.l..

Consistent with this decision, the company was formally rendered "inactive" at the end of June 2024 and - in the following month of July - the Board of Directors and the Shareholders' Meeting were held, which - respectively - certified the causes for the dissolution of the company and appointed a liquidator.

*Signing of new contracts in the "Engineering & Construction" segment*

In July 2024, PLC System S.r.l. signed two contracts relating to the construction of the HV/MV infrastructures for the connection to the electricity grid of two wind farms with a capacity of 45 MWp and 80 MWp, respectively, located in the province of Foggia, held by a special purpose company of the BKW Group. The total contract consideration for services rendered by PLC System amounted to more than Euro 9.5 million.
Also in July, PLC System signed a contract for the construction of the HV/MV infrastructures for connection to the electricity grid - including the condominium stall, the utility stall and the cable duct - of a photovoltaic plant consisting of two clusters with a capacity of 66 MWp and 38 MWp respectively, located in the province of Viterbo, held by a special purpose company of the Enfinity Global Group. The total contract consideration for services rendered by PLC System amounted to more than Euro 5 million.

*Disclosure regarding the impacts of the Russian-Ukrainian and Israeli-Palestinian conflicts on the market context and on the economic, equity and financial results of the PLC Group*

The continuation of the aforementioned conflicts, which began in February 2022 and October 2023 respectively, has led to serious economic consequences in all industrial sectors, with an impact on the global economy. The PLC Group has no direct exposure to the markets affected and – as in 2023 – the first half of 2024 was not significantly impacted by indirect effects on the procurement chain. Looking ahead, however, possible negative consequences deriving from the evolution of these conflicts cannot be ruled out, with effects on the business that are currently unforeseeable.

## 2.3 ANALYSIS OF THE ECONOMIC, EQUITY AND FINANCIAL RESULTS OF THE GROUP AT JUNE 30, 2024

### RECLASSIFIED CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

| RECLASSIFIED COMPREHENSIVE INCOME STATEMENT (figures in thousands of Euro) | 01.01.2024 30.06.2024 | 01.01.2023 30.06.2023 |
|---|---|---|
| **Revenues from core business** | **43,657** | **28,370** |
| Other operating revenues | 501 | 533 |
| **Total revenues** | **44,158** | **28,903** |
| Operating costs | (38,091) | (27,046) |
| Other operating costs | (1,970) | (972) |
| **GROSS OPERATING MARGIN (EBITDA)** | **4,097** | **885** |
| *EBITDA %* | *9%* | *3%* |
| Amortization, depreciation and write-downs | (857) | (743) |
| **OPERATING RESULT (EBIT)** | **3,240** | **142** |
| Net financial income (expenses) | (214) | (181) |
| Income from (Expenses on) equity investments | - | - |
| Income taxes | (1,301) | (116) |
| **Profit (loss) for the period from continuing operations** | **1,725** | **(155)** |
| Profit (loss) for the period from discontinued operations | 6,719 | (1,672) |
| **PROFIT (LOSS) FOR THE PERIOD** | **8,444** | **(1,827)** |
| Total other comprehensive income statement components | 161 | (69) |
| **COMPREHENSIVE INCOME STATEMENT** | **8,605** | **(1,896)** |

In accordance with IFRS 5, the results for the period attributable to Tirreno S.r.l. and the companies of the Schmack perimeter were reclassified under "Profit (loss) for the period of discontinued operations". The comparative period was also restated in accordance with the same accounting standard.

The consolidated financial results at June 30, 2024, compared to the comparative period, show an overall improvement in business performance, in both the Engineering & Construction Segment and in the Services Segment.

Operating revenues at June 30, 2024 amounted to a total of Euro 44,158 thousand, while EBITDA was positive for Euro 4,097 thousand.

The comprehensive income statement, positive for Euro 8,605 thousand, includes the effects of extraordinary transactions (the sale of the Schmack perimeter and Tirreno S.r.l. impacting net profit; waiver of part of the receivables from the sale of two SPVs completed in 2020 negatively impacting EBITDA) described in paragraph 2.1 above; these effects weigh for about Euro 810 thousand negative at EBITDA level and for a total of about Euro 6,700 positive at net profit level.

The breakdown of EBITDA by operating segment is shown below.

| RECLASSIFIED COMPREHENSIVE INCOME STATEMENT (figures in thousands of Euro) | Construction | Services | Holding | Dispatching | 01.01.2024 30.06.2024 |
|---|---|---|---|---|---|
| Revenues from core business | 16,959 | 26,698 | - | - | 43,657 |
| Other operating revenues | 53 | 415 | 33 | - | 501 |
| Total revenues | 17,012 | 27,113 | 33 | - | 44,158 |
| Operating costs | (13,539) | (21,548) | (2,990) | (14) | (38,091) |
| Other operating costs | (1,153) | (720) | (96) | (1) | (1,970) |
| GROSS OPERATING MARGIN (EBITDA) | 2,320 | 4,845 | (3,053) | (15) | 4,097 |
| *EBITDA %* | *14%* | *18%* | *n.a.* | *n.a.* | *9%* |

| RECLASSIFIED COMPREHENSIVE INCOME STATEMENT (figures in thousands of Euro) | Construction | Services | Holding | Dispatching | 01.01.2023 30.06.2023 |
|---|---|---|---|---|---|
| Revenues from core business | 16,045 | 9,867 | - | 2,458 | 28,370 |
| Other operating revenues | - | 250 | 283 | - | 533 |
| Total revenues | 16,045 | 10,117 | 283 | 2,458 | 28,903 |
| Operating costs | (14,396) | (7,576) | (2,645) | (2,429) | (27,046) |
| Other operating costs | (376) | (502) | (92) | (3) | (972) |
| GROSS OPERATING MARGIN (EBITDA) | 1,273 | 2,040 | (2,454) | 26 | 885 |
| *EBITDA %* | *8%* | *20%* | *n.a.* | *1%* | *3%* |

## Engineering & Construction Segment

| RECLASSIFIED COMPREHENSIVE INCOME STATEMENT (figures in thousands of Euro) | 01.01.2024 30.06.2024 | 01.01.2023 30.06.2023 |
|---|---|---|
| Revenues from core business | 16,959 | 16,045 |
| Other operating revenues | 53 | - |
| Total revenues | 17,012 | 16,045 |
| Operating costs | (13,539) | (14,396) |
| Other operating costs | (1,153) | (376) |
| GROSS OPERATING MARGIN (EBITDA) | 2,320 | 1,273 |
| *EBITDA %* | *14%* | *8%* |

Figures are shown net of intra-group balances

The Engineering & Construction Segment recorded revenues of Euro 17,012 thousand and EBITDA of Euro 2,320 thousand, showing an increase in margins that was significantly higher than the increase in volumes, mainly due to the progress of the activities contracted since the end of 2022 - characterized by sustained and higher margins than in the past - and to the now imminent conclusion of the orders, relative to the construction of the balance of plant of wind farms, which had caused the known critical issues in 2022. The favorable market moment for the renewable energy sector, the ability to follow the market needs, the competitiveness and the excellent reputation of PLC System S.r.l. have allowed the achievement of these results and the definitive overcoming of the critical issues encountered in 2022, also linked to the negative general economic context.

## Services Segment

| RECLASSIFIED COMPREHENSIVE INCOME STATEMENT (figures in thousands of Euro) | 01.01.2024 30.06.2024 | 01.01.2023 30.06.2023 |
|---|---|---|
| Revenues from core business | 26,698 | 9,867 |
| Other operating revenues | 415 | 250 |
| **Total revenues** | **27,113** | **10,117** |
| Operating costs | (21,548) | (7,576) |
| Other operating costs | (720) | (502) |
| GROSS OPERATING MARGIN (EBITDA) | 4,845 | 2,040 |
| *EBITDA %* | *18%* | *20%* |

Figures are shown net of intra-group balances

In the first half of 2024, the Services Segment generated revenues of Euro 27,113 thousand and EBITDA of Euro 4,845 thousand, both significantly higher than the comparable figure.

The overall growth trend in the Services segment was confirmed, particularly in the area of services in the electrical infrastructure and photovoltaic sectors, thanks to the increase in (i) high "lump sum" value-added activities and (ii) revamping/repowering of photovoltaic plants.

## Dispatching Services Segment

| RECLASSIFIED COMPREHENSIVE INCOME STATEMENT (figures in thousands of Euro) | 01.01.2024 30.06.2024 | 01.01.2023 30.06.2023 |
|---|---|---|
| Revenues from core business | - | 2,458 |
| Other operating revenues | - | - |
| **Total revenues** | **-** | **2,458** |
| Operating costs | (14) | (2,429) |
| Other operating costs | (1) | (3) |
| GROSS OPERATING MARGIN (EBITDA) | (15) | 26 |
| *EBITDA %* | *n.a.* | *1%* |

Figures are shown net of intra-group balances

The Dispatching Services Segment includes the dispatching activities carried out by the subsidiary MSD Service S.r.l.; as mentioned above, the activities aimed at placing the company into liquidation are underway, consistent with the divestment of non-core investments envisaged in the 2023 - 2027 Business Plan.

## Holding Segment

| RECLASSIFIED COMPREHENSIVE INCOME STATEMENT (figures in thousands of Euro) | 01.01.2024 30.06.2024 | 01.01.2023 30.06.2023 |
|---|---|---|
| **Revenues from core business** | - | - |
| Other operating revenues | 33 | 283 |
| **Total revenues** | **33** | **283** |
| Operating costs | (2,990) | (2,645) |
| Other operating costs | (96) | (92) |
| **GROSS OPERATING MARGIN (EBITDA)** | **(3,053)** | **(2,454)** |
| *EBITDA %* | *n.a.* | *n.a.* |

Figures are shown net of intra-group balances

The Holding Segment essentially includes the overhead costs of the Parent Company, which centrally carries out the activities of: Administration, Finance and Control (AFC), Secretariat, Information Technology (IT), Quality, Safety and the Environment (QSE), Personnel (HR) and Legal and Corporate Affairs, Procurement, Research & Development, Business Development. Compared to the comparative period, the Segment recorded an increase in operating costs of about Euro 345 thousand, mostly attributable to the effect of non-recurring items.

## RECLASSIFIED CONSOLIDATED FINANCIAL POSITION STATEMENT

| RECLASSIFIED FINANCIAL POSITION STATEMENT (figures in thousands of Euro) | 30.06.2024 | 31.12.2023 |
|---|---|---|
| Net tangible assets | 6,659 | 6,538 |
| Net intangible assets | 8,776 | 8,552 |
| Equity investments | 11 | 11 |
| Other non-current assets | 1,623 | 2,688 |
| **Fixed assets** | **17,069** | **17,789** |
| Net working capital | (654) | (8,264) |
| Assets held for disposal | 163 | 1,823 |
| **NET INVESTED CAPITAL** | **16,578** | **11,348** |
| **NET FINANCIAL DEBT** | **3,019** | **1,271** |
| **SHAREHOLDERS' EQUITY** | **19,597** | **12,619** |

The consolidated financial position statement at June 30, 2024 has been reclassified by aggregating assets and liabilities according to the criterion of functionality to the management of the company considered, conventionally broken down into the three basic functions: investment, operation and financing.

Net invested capital at June 30, 2024 amounted to Euro 16,578 thousand compared to Euro 11,348 thousand at December 31, 2023. The increase of Euro 5,230 thousand is mainly due to (i) the increase in net working capital for Euro 7,610 thousand, mostly attributable to the physiological realignment of contractual assets and liabilities of the Engineering & Construction Segment and revamping / repowering activities, as a result of the progress of ongoing orders; (ii) the change in fixed capital due to the effects deriving from the extraordinary transaction that led to the deconsolidation of the Schmack perimeter pursuant to IFRS 5.

## CONSOLIDATED NET FINANCIAL DEBT

| NET FINANCIAL DEBT (figures in thousands of Euro) | 30.06.2024 | 31.12.2023 |
|---|---|---|
| Liquidity | 8,821 | 9,961 |
| Current financial debt | (2,654) | (4,767) |
| Non-current financial debt | (2,028) | (3,045) |
| **Net financial debt before IFRS16** | **4,139** | **2,149** |
| Financial liabilities IFRS 16 | (1,120) | (878) |
| **NET FINANCIAL DEBT** | **3,019** | **1,271** |

The PLC Group's net financial debt at June 30, 2024 is positive for Euro 3,019 thousand (positive for Euro 4,139 thousand net of financial payables recognized in application of IFRS 16) and recorded a positive variation of Euro 1,748 thousand compared to December 31, 2023.

Financial debt - in the reporting period - decreased by Euro 3,130 thousand as a result of (i) repayments made in accordance with amortization schedules, for bank loans only, for Euro 3,270 thousand and (ii) utilization of working capital lines for Euro 140 thousand.

## 2.4 RESEARCH AND DEVELOPMENT ACTIVITIES

The PLC Group has always been involved in research and development activities focused on improving the quality of the service offered to its customers and on optimizing its organization. In this context, the Special Projects division has the task of guiding the PLC Group through the technological and digital transformation process, which is - already today - significantly modifying the way technical personnel work, projecting the structure towards optimized and more scalable management of specialized know-how, which can make the most of experienced personnel and train new technicians.

The use of various enabling technologies - such as Augmented Reality (AR), Virtual Reality (VR), Artificial Intelligence (AI) and Machine Learning - will help the Group create an organic and integrated system of tools aimed at optimizing the core business of the PLC Group; the launch of new research areas - focused in particular on electrochemical storage - will support the Group in defining technical-commercial proposals, in terms of new products and services, that can effectively respond to emerging market needs. In particular, other intangible assets are recognized as assets in accordance with IAS 38 (e.g. the costs are precisely determinable, as is the technical feasibility of the product, the asset is identifiable or separable, the Company has control over the asset or has the power to obtain future economic benefits): the useful life is on average 3 years.

*<u>PLC Service S.r.l. - PON MISE M4.0 project - Augmented reality and artificial intelligence for advanced maintenance of renewable generation plants</u>*

During 2018, PLC Service S.r.l. initiated - in cooperation with an external partner - a research and development program with the aim of implementing innovative technological solutions in its O&M services.

As already mentioned in previous financial reports, the project - against a total cost of about Euro 2 million - recognized (i) a subsidised loan of about Euro 404 thousand (of which the main portion - equal to about Euro 280 thousand - pertaining to the subsidiary PLC Service S.r.l.) and (ii) a non-repayable contribution of about Euro 790 thousand (of which the main portion - equal to about Euro 420 thousand - pertaining to the subsidiary PLC Service S.r.l.). The project ended in 2022 and - at the beginning of 2023 - the CNR (National Research Council) verified the consistency between the objectives set and the results obtained; verifications are currently underway with a view to issuing the decree officially closing the project.

The industrialization - now underway - of this technology already sees a large number of technicians involved, with satisfactory results, especially in highly specialized activities, where remote support is essential to speed up the resolution of the anomaly found on site.

*<u>PLC Service S.r.l. - MAIA 4.0 Project - Maintenance with Artificial Intelligence Applications</u>*

In 2023, building on what had already been developed by the previous “PON MISE M4.0” project, the PLC Group won the MiMiT “Agreements for Innovation” call for tenders, submitting a new industrial project - worth about Euro 6.0 million and lasting 42 months, again with the support of external partners (universities, research centers and software houses) - with the aim of introducing further technological solutions to improve products and services offered to customers as well as the internal processes supporting them.

Within the new project - called “*Platform 4.0 for the development and provision of advanced services in the RES area and for the support of the activities of the energy markets*” (MAIA 4.0), which is currently being implemented - research and development activities will be carried out starting from (i) the results of PON M4.0 and (ii) the analysis of the products-services offered and of the business processes, with the ultimate goal of defining and implementing an advanced organic system of solutions concerning the following areas/products/services:

- *Operation & Maintenance Planning & Management (OMPM)* to integrate, in a single platform, all the technologies developed during the project, interfacing with other company management systems (e.g. ERP);
- implementation of a test system for the integration of BESS (Battery Energy Storage System) systems that could enable the development of further business lines;
- implementation of a predictive maintenance system, to manage plants with a higher incidence of predictive (rather than corrective) activities, identifying standards, models and technologies for the analysis and reprocessing of data aimed at anticipating repair interventions, reducing downtime and - ultimately - increasing the manufacturability of plants managed;
- implementation of plans and training paths for technical personnel (academy) using digital tools based on immersive reality, in order to strengthen internal technical skills by training operators to operate machines in an optimal way; training of resources is fundamental to make activities efficient and safe, using immersive reality for simulations on critical activities.

*PLC System S.r.l. - 40.5 kV project - Realization of the first prototype delivery station according to the new connection standards dictated by TERNA*

The PLC Group, through its subsidiary PLC System, created and presented – in May 2024 to an audience of stakeholders selected from partners, customers, suppliers and institutional bodies - a lean, reliable and secure "turnkey" solution for future connections to the Terna 36 kV grid (operating voltage), in compliance with Resolution 439/2021/R/eel and the updated Annexes A.2, A.17 and A.68 of the Network Code. In a scenario of strong FER penetration, to achieve the next objectives of the EU Fit for 55 maneuver, a significant increase in connection requests with maximum power below 100 MW according to the new 40.5 kV standard (insulation voltage) is expected - for the near future.

*Other projects under development*

In addition to the above, the following processes were continued in the first half of 2024:

- new Remote Control Center: (i) completion of the center's deployment (first- and second-level remote control, advanced diagnostics and Root Cause Analysis) thanks to the implementation of the supporting IT infrastructure; (ii) layer implementation - on the new Scada 4.0 digital platform - of the plants managed in O&M;
- innovation projects under study: analysis of the technical requirements for the structured implementation of a Work Force Management (WFM) and a Digital Warehouse Solution (DWS).

## 2.5 BRANCH OFFICES

PLC S.p.A. has a local unit located in Acerra (NA) ASI area Località Pantano in via delle Industrie 272/274.

## 2.6 CORPORATE GOVERNANCE

In 2022, the Company implemented the process of adhering to the Corporate Governance Code, effective from January 1, 2021, in order to align its corporate governance model with the principles and recommendations of the Corporate Governance Code.

For the description of the main characteristics of the corporate governance system adopted by PLC S.p.A. pursuant to art. 123-bis of the Consolidated Law on Finance, see Annex 2 “Report on corporate governance and ownership structures” of the financial report at December 31, 2023.

## 2.7 TREASURY SHARES

At June 30, 2024, PLC S.p.A. did not hold any of its treasury shares, nor did it buy or sell them during the year.

## 2.8 TRANSACTIONS WITH RELATED PARTIES AND INTRA-GROUP TRANSACTIONS

In compliance with the requirements of Consob communications, it should be noted that no transactions with related parties of an atypical and/or unusual nature were carried out, outside the normal management of the company, or as such to prejudice the economic, equity and financial situation of the Group.

Here, it should be noted that - during the reporting period - the following transactions were carried out with related parties:

1. consensual termination of the employment relationship with the Chief Executive Officer, Diego Percopo, on April 26, 2024 and effective as of April 30, 2024;
2. consensual termination of the employment relationship with the Chief Financial Officer - as well as the Financial Reporting Manager pursuant to article 154-bis of Legislative Decree 58/1998 and Investor Relator, Marco Aulisa, on April 26, 2024 and effective as of April 30, 2024.

Both transactions were qualified - pursuant to the “Transactions with Related Parties” procedure adopted by the company - as “minor” transactions. For further details, please refer to the press releases available on the institutional website at the following link: Investor Relations – Plc (plc-spa.it).

As mentioned in section 2.2 “Significant events occurring after June 30, 2024” above, in July 2024, the transaction was finalized for the sale - to the minority shareholder Idea S.r.l. - of the investment equal to 66.6% of the share capital previously held by the subsidiary PLC Power S.r.l. in Tirreno S.r.l.; this transaction, pursuant to the procedure adopted, qualifies as a “Minor transaction” considering the consideration paid by the purchaser, equal to Euro 120 thousand.

In relation to the requirements of IAS 24 (revised) on “Related party disclosures” and the additional information required by Consob Communication no. 6064293 of July 28, 2006, reference should be made to paragraph 3.2.4.

## 2.9 MAIN RISKS AND UNCERTAINTIES

In general terms, the equity and economic-financial situation of the PLC Group is influenced by a series of risk factors specific to the renewable energy production sector in which it operates. The Group is also subject to financial risks.

***Risks associated with the reference market and the reference regulatory framework***

The sector relating to the production of electricity from renewable sources is linked to the applicable regulatory provisions, including (i) the regulations relating to authorization processes for the location and installation of renewable energy generation plants and (ii) incentive systems. The PLC Group is therefore exposed to risks arising from changes in the relevant legal and regulatory context, which could have a potentially significant detrimental effect on - on the one hand - the Group’s ability to acquire new commercial backlog and - on the other - the profitability of ongoing investments in the Development segment. In this scenario, management constantly monitors the evolution of the reference legal and regulatory framework in order to identify possible risks or opportunities to maximize the Group’s profitability.

In 1997, with the signing of the Kyoto Protocol of the Convention on Climate Change, for the first time, the European Union developed an energy strategy targeted at promoting the use of renewable energy sources, and established binding commitments for the reduction of greenhouse gases in industrialized countries, in order to combat global warming through the establishment and strengthening of national emission reduction policies and the development of cooperation between the contracting parties. Subsequent EU directives have set increasingly challenging targets to increase the share of energy produced from renewable sources, to reduce energy consumption by increasing energy efficiency and to reduce net greenhouse gas emissions, initiating what is now the process of “phasing out” of traditional forms of electricity.

The most recent provisions issued by the European Union include EU Directive no. 2018/2001 (so-called RED II) which set a binding target of 32% for renewable sources by 2030 and the *Regulation on the Governance of the Energy Union and Climate Action* (EU 2018/1999) under which, each member state has prepared its own *National Integrated Energy and Climate Plan* (PNIEC) containing detailed indications relating to the policy tools to be implemented in order to achieve the community targets by 2030.

In December 2019, the increasing awareness of the enormous threat posed by climate change and environmental degradation prompted the European Union to adopt a new strategy for growth (so-called Green Deal) with the aim of achieving climate neutrality in 2050 through:

- investments in environmentally friendly technologies;

- support for industry in innovation;

- introducing cleaner, cheaper and healthier forms of private and public transport;

- decarbonizing the energy sector;

- greater energy efficiency of buildings;

- collaborating with international partners to improve global environmental standards.

In this context, in 2020 the European Commission launched a consultation process for the revision of the Directives on renewable energy and energy efficiency, in order to assess the introduction of more ambitious climate targets for 2030, including the definition of the new target for the reduction of greenhouse gas emissions from 40% to 55% and an increase from 32% to 40% of the share of renewable energies.

In 2022, the conflict between Russia and Ukraine further increased awareness of the risk of the European bloc energy dependence on non-European raw materials, accelerating the process of research and development of renewable and sustainable sources, through which the European Union aims to achieve energy independence.

*Significant regulatory and institutional updates*

- *European Union - REpowerEU Packages*

Following the outbreak of the war in Ukraine, in March 2022, the European Commission proposed the "REpowerEU" plan to make Europe independent from Russian fossil fuels well before 2030. The main measures and actions proposed for renewable energy include raising European targets in 2030 from 40% to 45%, a photovoltaic installation target of 320 GW by 2025 and of almost 600 GW by 2030.

European guidelines are also envisaged to shorten and simplify authorization procedures for both renewable energy plants and grid infrastructures within low environmental risk "go-to areas" with halved authorization times.

- *European Commission - New Guidelines on State Aid for Energy and Environment*

In December 2021, the European Commission approved new guidelines on State aid for energy and the environment (CEEAG), which apply to all economic support decisions taken by Member States as of January 2022. However, it is necessary to adjust the adopted support instruments to the new guidelines - where materially applicable - by 2023.

- *Directive (EU) 2022/2464 (so-called Corporate Sustainability Reporting Directive - CSRD) and Legislative Decree 125/2024 of transposition*

In 2022, the European Financial Reporting Advisory Group (EFRAG) issued the first set of European Sustainability Reporting Standards (ESRS) for companies across the continent to comply with the CSRD disclosure requirements - i.e. the Corporate Sustainability Reporting Directive - the long-term objectives of which are to reduce climate risk and improve the EU overall sustainability, in line with the European goal of climate neutrality by 2050 and the European Green Deal initiatives.

CSRD aims to improve the quality of corporate processes and reporting to enable stakeholders to understand and compare an organization’s ESG impact, enabling more informed decisions based on sustainability KPIs and related business impacts and risks.

The ESRS has issued 12 principles, which divide and describe four categories of sustainability:

- transversal: general principles and information
- environmental: climate change, pollution, water and marine resources, biodiversity and ecosystems, resource use and circular economy
- social: workforce, workers in the value chain, affected communities, consumers and users
- governance: business conduct.

Cross-sectional reporting is required of all organizations regulated by CSRD, while ESG reporting is mandatory for organizations that consider it relevant.

In December 2023, the ESRS were published in the Official Journal of the EU, becoming legally binding.

Finally, it should be noted that, in February 2024, the EU institutions decided to postpone the deadline for the adoption of sectoral European Sustainability Reporting Standards (ESRS) by two years. The sector-specific ESRS should be published by June 2026, which does not affect the CSRD effective dates.

As far as national legislation is concerned, on August 30, the Council of Ministers approved the Decree-Law transposing Regulation 2022/2464. Published in the OJ on September 10, 2024, Legislative Decree no. 125 of September 6, 2024 transposes Directive no. 2464 of 2022 on corporate sustainability reporting.

Legislative Decree no. 125/2024 replaces the previous regulation on non-financial reporting - the so-called “NFD” - by providing a new regime in the area of sustainability, centered on the obligation to provide, in the management report, a set of information with the ultimate goal of understanding the impact of the company on sustainability issues and how these issues affect the company’s performance and results.

The ultimate objectives are (i) to stimulate companies to develop a sense of responsibility and become aware of the risks and opportunities related to ESG issues and (ii) to improve dialogue on the subject with all stakeholders and investors.

The measure, effective as of September 25, 2024, will be applied with different timeframes, depending on the type of business concerned.

- *Italy - D.L. implementing the PNRR (National Recovery and Resilience Plan) and conversion law no. 233/2021*

In December 2021, Law no. 233/2021 converting Decree-Law no. 152/2021 for the implementation of the PNRR was published. The main provision foresees the possibility of participation in future GSE auctions for complete reconstruction (i.e. repowering) projects together with greenfield projects, within the same quota.

- *Italy - M.D. June 21, 2024 (so-called "Suitable Areas") - Regulations for the identification of surfaces and areas suitable for the installation of renewable energy plants*

In force since July 3, 2024, the "Suitable Areas" Ministerial Decree has a twofold purpose: (i) to identify the distribution among the Regions and Autonomous Provinces in view of the national target of installing an additional 80 GW from renewable sources by 2030 compared to December 31, 2020, and (ii) to establish principles and criteria for identifying the areas suitable and unsuitable for the installation of RES plants.
The decree goes on to specify 4 different types of areas that the regions are called upon to identify - within 180 days of the ministerial decree coming into force - ensuring the appropriate involvement of local authorities. These are in particular the:

a) suitable areas, for which an accelerated and facilitated procedure is provided for the construction and operation of RES plants and related infrastructure in accordance with the provisions in force;
b) unsuitable areas, i.e. incompatible with the installation of specific types of plants;
c) ordinary areas, are those areas other than those in (a) and (b) and in which ordinary authorization regimes apply;
d) areas where the installation of photovoltaic systems with ground-mounted modules in areas classified as agricultural by urban plans is prohibited.

The MASE, assisted by the GSE, will monitor and verify the fulfilment of the obligations of local authorities both in terms of enactment of legislation and achievement of the annual targets set.
The Conversion Law introduced a transitional regime by virtue of which the prohibition on the construction and installation of RES plants will not apply to projects for which, on the date of entry into force of the decree-law, at least one of the administrative procedures, including those of environmental assessment, necessary to obtain the permits for the construction and operation of the plants and related works has been initiated.
Within 180 days after the entry into force of the Ministerial Decree, the regions are required to issue the regional measures by which they identify the *Suitable Areas*. In the absence of a clear and uniform framework, there is a risk of fragmented and uneven regulation within the national territory.

- *Italy - RES 2 Decree*

The Ministry of the Environment and Energy Security (MASE) issued - on August 13, 2024 - the RES 2 Decree, which promotes the realization of plants from innovative renewable sources or with high generation costs, with various incentive measures; plants from innovative renewable sources or with high generation costs are defined as:

- thermodynamic solar, with nominal storage capacity of not less than 1.5 thermal kWh and storage systems;
- zero-emission geothermal power;
- conventional geothermal power plants that reduce emissions of mercury, hydrogen sulphide and ammonia;
- biomass power plants producing thermal energy primarily for self-consumption on site, with nominal power of no more than 1,000 kW electricity;
- biogas obtained from the anaerobic digestion of biomass, with nominal power not exceeding 300 kW electricity;
- floating photovoltaics, both at sea and in inland waters;
- offshore floating wind turbines on fixed foundations with a minimum distance from the coast of 12 nautical miles;
- for the production of tidal, wave and other forms of marine energy.

The RES 2 Decree has the ambition to promote the production of an additional 4.59 GW of RES plants, of which 3.80 GM of offshore wind power, through competitive procedures to be announced by the GSE from 2024 to the end of 2028.

Plants eligible for incentives will have to comply with a number of requirements, such as possession of a permit, environmental requirements and certain dimensional and construction criteria laid down in the decree.

At the end of the verification and control procedure, the GSE will draw up a public ranking list, in accordance with the principle of transparency, of plants that meet all requirements.

Thereafter, the GSE will disburse the planned incentives for the period required for the life of the plants; in the event of failure to meet the deadline, there will be a 0.5% deduction from the tariff due for each month of delay, up to a maximum of nine months.

* * *

It should be noted that on May 30, 2024, the PLC Group, although not subject to the mandatory preparation of the “Consolidated non-financial statement” required by Articles No. 3 and 4 of Legislative Decree No. 254/2016, published the Consolidated Sustainability Report as at December 31, 2023, following the best international reporting standards, defined by the Global Reporting Initiative (GRI). In fact, the PLC Group, aware of the importance of the Sustainable Development Goals of the 2030 Agenda (SDGs), and considering the role it intends to play in the momentous challenge of the energy transition, given its position in the renewable energy chain, has decided to inform its stakeholders of its future economic, environmental and social objectives and how they will practically impact its business and governance model, with the aim of communicating the real value created by the entire organization and the impact on all stakeholders.

***Financial Risks***

The PLC Group is exposed to the following financial risks: (i) liquidity risk stemming from the possibility of not being able to source the necessary funds to meet its obligations, (ii) credit risk arising from the possibility of default by a counterparty and (iii) interest rate risk arising from financial exposure. The management of financial risks is an integral part of the management of the activities of the Group and is carried out centrally by the parent company in order to ensure that activities involving financial risk are governed by the appropriate corporate policies and procedures, and that financial risks are identified, assessed and managed in accordance with the Group's risk appetite.

In view also of the current geopolitical context, management is continuing to monitor possible critical issues and impacts with regard to financial risks. At this stage, the PLC Group is not exposed to an increase in financial risks as a result of said context, also in view of the insignificant exposure in the markets concerned.

However, given the continuation of a longer-term situation of uncertainty, a potential worsening of financial stress scenarios cannot be ruled out, resulting from a further rise in interest rates, a deterioration of liquidity in general, delays in payments from customers, and the slowdown of operating activities on projects with delays in the related invoicing to customers.

For the additional information on financial risks required by IFRS 7, reference should be made to subsequent paragraph 3.2.5.

***Legal risks***

*Litigation in which the company is the plaintiff*

Following a complication encountered in the construction phase of 2 of the wind farms completed in 2019, the subsidiary PLC System S.r.l. undertook a dispute in which it is the plaintiff, as it had to step in as contractor to resolve the resulting issues, bearing the related cost so as not to create more damage for the clients. Following the occurrence of the above-mentioned problems, the respective client companies filed a separate claim with the insurance company, each on its own account, and the insurance company opened two independent files under the "erection all risk" policy; however, the insurance company denied coverage for the claims for both positions.

Disagreeing with the insurance company's position, PLC System S.r.l., as the insured party, resorted to arbitration, which was subsequently concluded with the rejection of all claims.
Subsequently, PLC System S.r.l. challenged the arbitral award, in court and in the court of appeal. However, the claim for reimbursement of the costs incurred by the company was always rejected. Following in-depth analysis and information on the likelihood of a successful appeal to the Court of Cassation rendered in a specific opinion by the appointed external lawyer, the Company decided to file an appeal to the Court of Cassation, highlighting the profiles of censurability that the second instance sentence presents in terms of the interpretation of the insurance contract. It should also be noted that, following the filing of the appeal with the Court of Cassation, the lawyer in charge suggested initiating talks with the insurance company to assess the possibility of reaching an out-of-court settlement. The Company considered it reasonable to initiate talks between the respective lawyers in charge.

*Litigation filed against the company*

There are no disputes pending that are worthy of mention due to their subject matter or value.

## 2.10 INFORMATION PURSUANT TO LAW 124/17

In accordance with the provisions of Law No. 124 of August 4, 2017, Article 1, paragraph 125, it is noted that in the first half of the year, the Group did not receive any grants from public administrations, with the exception of as outlined in paragraph 2.4 "Research and development activities".

### 2.10.1 ANY FAILURE TO COMPLY WITH COVENANTS, NEGATIVE PLEDGES AND ANY OTHER CLAUSE OF THE GROUP'S INDEBTEDNESS THAT RESTRICTS THE USE OF FINANCIAL RESOURCES

As of today there are no cases of non-compliance with financial covenants or negative pledges.
The following are the loan agreements that provide for the observance of financial covenants.

*PLC Service S.r.l. - BNL Loan Agreement*

The loan signed on July 31, 2018 by the subsidiary PLC Service S.r.l. with BNL requires compliance with two financial covenants subject to verification annually starting from December 31, 2018 and for the entire duration of the loan (i.e. 10 years); failure to comply with both financial constraints may result in forfeiture. These constraints, to be recognized on the values resulting from the consolidated financial statements of the PLC Group, envisage (i) a ratio between net financial debt and an EBITDA of less than 3.0 and (ii) a ratio between financial debt and a Shareholders' Equity of less than 3.5.

Considering the current forecasts on the economic and financial results for the year 2024, it is not expected that situations of non-compliance with both covenants will arise as at December 31, 2024.

*PLC S.p.A. - BNL Loan Agreement*

The loan entered into on January 22, 2019 by the parent company PLC S.p.A. with BNL provides for compliance with two financial covenants subject to annual verification starting from December 31, 2018 and for the entire duration of the loan equal to 5 years (until January 22, 2025 considering the extension of 1 year as a consequence of the "*Covid-19 moratorium*"); the simultaneous failure to comply with the financial covenants constitutes a Significant Event under the loan contract. These constraints, to be recognized on the values resulting from the consolidated financial statements of the PLC Group, envisage (i) a ratio between net financial debt and an EBITDA of less than 2.0 and (ii) a ratio between financial debt and a Shareholders' Equity of less than 1.5. Considering the current forecasts on the economic-financial results for the year 2024, it is not expected that situations of non-compliance with both covenants will arise as at December 31, 2024.

There are no clauses concerning the Group's indebtedness that entail limits on the use of financial resources.

## 2.11 GLOSSARY

*Financial Terms*

**Cash Generating Unit (CGU)** corresponds, in the context of performing the impairment test, to the smallest identifiable group of assets that generates cash inflows and/or outflows, deriving from the continuous use of assets, largely independent of the cash inflows and/or outflows generated by other assets or groups of assets.

**EBIT** (Earnings Before Interest and Taxes) indicates the operating result.

**EBITDA** (Earnings Before Interest, Taxes, Depreciation and Amortization) means the gross operating margin.

**Guidance** indicates the forecast data, with particular reference to the indicators included in the 2023-2027 Business Plan approved by the Board of Directors on December 22, 2022 and disclosed to the market.

**Headroom (Impairment Loss)** means the positive (or negative) excess of the recoverable amount of a CGU over its carrying amount.

**International Financial Reporting Standards (IFRS)** means the international accounting standards issued by the International Accounting Standards Board (IASB) and adopted by the European Commission. They include International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC) and the Standing Interpretations Committee (SIC) adopted by the IASB. The name International Financial Reporting Standards (IFRS) was adopted by the IASB for standards issued after May 2003. Previously issued standards have retained the name IAS.

**Weighted Average Cost of Capital (WACC)** is the interest rate at which – in performing the impairment test – the future incoming and/or outgoing cash flows of a CGU are discounted; this rate is calculated as the weighted average of the company's cost of debt capital and cost of risk capital, defined on the basis of the Capital Asset Pricing Model (CAPM) methodology, consistent with the specific risk of the PLC Group's business.

*Operating Activities*

**Balance of Plant (BOP)** means the executive and construction design, supply of components and/or equipment and their accessories, constituting all elements necessary for the operation of the plant with the exception of the generation component, and in general civil works, electromechanical works, supervision and control systems.

**Build-Operate-Transfer (BOT)** means the contractual form whereby the owner (PLC Group) receives the assignment from a lender (utilities, IPP and/or investment funds) of a contract to finance, design, construct, and operate a power generation plant that will be transferred to the lender.

**Engineering, Procurement, Construction (EPC)** refers to the typical contract in the Engineering & Construction Segment for the construction of plants in which the service provider performs the engineering, material procurement and construction activities. A "turnkey contract" is when the plant is delivered ready for start-up or already started up.

**RES** means renewable energy sources.

**Energy Services Manager (GSE, Gestore Servizi Energetici)** is a company whose sole shareholder is the Ministry of Economy and Finance and whose mission is to promote sustainable development and the rational use of energy.

**European Green Deal** means the set of legislative and non-legislative initiatives undertaken by the European Commission with the overall goal of achieving climate neutrality in Europe by 2050.

**Operation and Maintenance (O&M)** means the operation and maintenance activities during the life of an energy production plant in order to maintain its full functionality and maximum profitability.

# 3 CONSOLIDATED FINANCIAL STATEMENTS

## 3.1 CONSOLIDATED FINANCIAL STATEMENTS

### 3.1.1 FINANCIAL POSITION STATEMENT

| FINANCIAL POSITION STATEMENT (figures in thousands of Euro) | Notes | 30.06.2024 | *of which from related parties* | 31.12.2023 | *of which from related parties* |
|---|---|---|---|---|---|
| **Non-current assets** | | | | | |
| Tangible assets | A | 6,659 | - | 6,538 | - |
| Goodwill | B | 4,711 | - | 4,750 | - |
| Intangible assets | C | 4,065 | - | 3,802 | - |
| Equity investments accounted for using the equity method | | - | - | - | - |
| Equity investments in other companies | D | 11 | - | 11 | - |
| Deferred tax assets | E | 460 | - | 1,402 | - |
| Receivables and other non-current assets | F | 1,130 | - | 1,233 | - |
| Other non-current financial assets | | - | - | - | - |
| Non-current derivative instruments | G | 33 | - | 52 | - |
| **Total non-current assets** | | **17,069** | | **17,788** | |
| **Current assets** | | | | | |
| Inventories | H | 6,786 | - | 6,216 | - |
| Contract assets | H | 9,607 | - | 7,174 | - |
| Trade receivables | I | 18,437 | - | 19,219 | - |
| Financial receivables | J | 1,090 | *5* | 18 | *18* |
| Other receivables | K | 6,860 | - | 6,435 | - |
| Cash and cash equivalents | M | 8,821 | - | 9,961 | - |
| Other current financial assets | | - | - | - | - |
| Current derivative instruments | | - | - | - | - |
| **Total current assets** | | **51,601** | | **49,023** | |
| **Non-current assets held for sale / disposal** | MM | 244 | - | 14,343 | - |
| **TOTAL ASSETS** | | **68,914** | | **81,154** | |

| FINANCIAL POSITION STATEMENT (figures in thousands of Euro) | Notes | 30.06.2024 | *of which from related parties* | 31.12.2023 | *of which from related parties* |
|---|---|---|---|---|---|
| Share capital and reserves | | 11,038 | - | 12,009 | - |
| Profit (loss) for the period attributable to the Group | | 8,600 | - | 586 | - |
| **Group shareholders' equity** | | **19,638** | | **12,595** | |
| Minority interests in shareholders' equity | | (41) | - | 24 | - |
| TOTAL SHAREHOLDERS' EQUITY | L | **19,597** | | **12,619** | |
| **Non-current liabilities** | | | | | |
| Non-current financial liabilities | M | 2,709 | | 3,545 | - |
| Provisions for non-current risks and charges | N | 625 | - | 675 | - |
| Employee severance indemnity | O | 2,412 | - | 2,412 | - |
| Deferred tax liabilities and other non-current taxes | P | 229 | - | 211 | - |
| Payables and other non-current liabilities | | - | - | - | - |
| Non-current derivative instruments | | - | - | - | - |
| **Total non-current liabilities** | | **5,975** | | **6,843** | |
| **Current liabilities** | | | | | |
| Current financial liabilities | M | 3,092 | - | 5,145 | - |
| Provisions for current risks and charges | Q | 45 | - | 45 | - |
| Trade payables | R | 23,230 | - | 22,854 | *19* |
| Contract liabilities | S | 10,385 | - | 17,094 | - |
| Other payables | T | 6,508 | - | 4,034 | - |
| Current derivative instruments | | - | - | - | - |
| **Total current liabilities** | | **43,260** | | **49,172** | - |
| **Non-current liabilities held for sale / disposal** | MM | 82 | - | 12,520 | - - |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | | **68,914** | | **81,154** | |

### 3.1.2 INCOME STATEMENT

| INCOME STATEMENT (figures in thousands of Euro) | Notes | 01.01.2024 30.06.2024 | *of which from related parties* | 01.01.2023 30.06.2023 | *of which from related parties* |
|---|---|---|---|---|---|
| Revenues from core business | AA | 43,657 | - | 28,370 | - |
| Other operating revenues | BB | 501 | - | 533 | - |
| Costs for raw materials | CC | (14,247) | - | (10,452) | - |
| Service costs | DD | (15,519) | - | (10,400) | (9) |
| Personnel costs | EE | (8,325) | - | (6,194) | - |
| Other operating costs | FF | (1,970) | - | (972) | - |
| Amortization and depreciation | GG | (818) | - | (743) | - |
| Reassessments (write-downs) | HH | (39) | - | - | - |
| **OPERATING RESULT (EBIT)** | | **3,240** | | **142** | |
| Financial income | II | 44 | - | 91 | - |
| Financial expenses | JJ | (258) | - | (272) | - |
| Income from (Expenses on) equity investments | | - | | - | |
| Income taxes | KK | (1,301) | - | (116) | - |
| **Profit (loss) for the period from continuing operations** | | **1,725** | | **(155)** | |
| Profit (loss) for the period from discontinued operations | MM | 6,719 | - | (1,672) | - |
| **PROFIT (LOSS) FOR THE PERIOD** | | **8,444** | | **(1,827)** | |
| *pertaining to the Group* | | 8,439 | - | (1,645) | - |
| *attributable to minority interests* | | 5 | - | (182) | - |
| Weighted average number of ordinary shares in the period | | 25,960,575 | - | 25,960,575 | - |
| Earnings per share (in Euro) | | 0.33 | - | (0.07) | - |
| Diluted earnings per share (in Euro) | | 0.33 | - | (0.07) | - |
| Earnings per share of discontinued operations (in Euro) | | - | - | - | - |

### 3.1.3 COMPREHENSIVE INCOME STATEMENT

| COMPREHENSIVE INCOME STATEMENT (figures in thousands of Euro) | Notes | 01.01.2024 30.06.2024 | 01.01.2023 30.06.2023 |
|---|---|---|---|
| PROFIT (LOSS) FOR THE PERIOD | | 8,444 | (1,827) |
| Other comprehensive income statement components | | | |
| Components that cannot be reclassified to the income statement | | 223 | (91) |
| Tax effect of non-reclassifiable components | | (62) | 25 |
| Total components that cannot be reclassified to the income statement | | 161 | (66) |
| Components reclassifiable to the income statement | | - | (3) |
| Tax effect on reclassifiable components | | - | - |
| Total components reclassifiable to the income statement | | - | (3) |
| Total other comprehensive income components | LL | 161 | (69) |
| COMPREHENSIVE INCOME STATEMENT | | 8,605 | (1,896) |
| *pertaining to the Group* | | 8,600 | (1,714) |
| *attributable to minority interests* | | 5 | (182) |

The item "Components that cannot be reclassified to the income statement" includes the impact, at consolidated level, of accounting for items attributable to labor costs - which include "other long-term employee benefits" - as required by IAS 19.

The item "Components that cannot be reclassified to the income statement", negative for Euro 3 thousand at June 30, 2023, is instead attributable to currency differences.

### 3.1.4 CASH FLOW STATEMENT

| CASH FLOW STATEMENT (figures in thousands of Euro) | 01.01.2024 30.06.2024 | *of which from related parties* | 01.01.2023 30.06.2023 |
|---|---|---|---|
| Comprehensive income/(loss) from continuing operations | 1,886 | | (224) |
| Fair Value Adjustment | 19 | | - |
| Amortization, depreciation and impairment of fixed assets | 857 | | 884 |
| Write-downs (Revaluations) of fixed assets | - | | 720 |
| Expenses (Net financial income) | 214 | | (176) |
| Non-cash changes in provisions and taxes | 910 | | - |
| Other non-monetary items | 238 | | (1,646) |
| Net changes in working capital | | | |
| Contract assets | (2,433) | | (3,374) |
| Inventories | (570) | | (1,336) |
| Trade receivables and other receivables | (345) | *13* | 2,902 |
| Trade payables and other payables | (3,856) | *(19)* | 4,757 |
| Change in other provisions and deferred tax assets and liabilities | - | | 699 |
| Gross Cash Flow | (3,080) | | 3,206 |
| Interest paid | (211) | | (171) |
| Interest received | 44 | | 51 |
| Income taxes (paid) received | - | | (20) |
| Income taxes | 1,301 | | 108 |
| A - OPERATING CASH FLOW FROM CONTINUING OPERATIONS | (1,947) | | 3,174 |
| Comprehensive income/(loss) from discontinued operations | 6,719 | | (1,672) |
| (Capital Gain)/Loss from assets sold | (6,703) | | - |
| Other non-monetary items | (156) | | - |
| B - OPERATING CASH FLOW FROM DISCONTINUED OPERATIONS | (140) | | (1,672) |
| C - CASH FLOW FROM OPERATING ACTIVITIES [A+B] | (2,087) | | 1,502 |
| (Investments) in tangible and intangible fixed assets | (875) | | (1,203) |
| Divestment of tangible and intangible fixed assets | 222 | | - |
| D - INVESTMENT CASH FLOW FROM CONTINUING OPERATIONS | (652) | | (1,203) |
| E - INVESTMENT CASH FLOW FROM DISCONTINUED OPERATIONS | 6,303 | | - |
| F - CASH FLOW FROM INVESTING ACTIVITIES [D+E] | 5,651 | | (1,203) |
| Obtainment of loans, financing and other financial liabilities | 140 | | 964 |
| (Repayments) of loans, financing and other financial liabilities | (3,028) | | (3,054) |
| Dividends paid | (1,817) | | - |
| G - FINANCING CASH FLOW FROM CONTINUING OPERATIONS | (4,705) | | (2,090) |
| H - FINANCING CASH FLOW FROM DISCONTINUED OPERATIONS | - | | - |
| I - FINANCING CASH FLOW[G+H] | (4,705) | | (2,090) |
| J - NET CHANGE IN CASH AND CASH EQUIVALENTS FROM CONTINUING OPERATIONS [A+D+G] | (7,304) | | (119) |
| H - NET CHANGE IN CASH AND CASH EQUIVALENTS FROM DISCONTINUED OPERATIONS [B+E+H] | 6,163 | | (1,672) |
| NET CHANGE CASH AND CASH EQUIVALENTS [J+H] | (1,141) | | (1,791) |
| Cash and cash equivalents at the beginning of the period | 9,961 | | 8,420 |
| Cash and cash equivalents for discontinued operations | 1 | | (4) |
| Cash and cash equivalents at the end of the period | 8,821 | | 6,625 |

(*) The values at June 30, 2023 have been restated for comparability effects, in accordance with the newly adopted format of the cash flow statement.

For comments on the main changes, reference should be made to Note NN "Notes to the Cash Flow Statement" in the Notes to the consolidated financial statements.

## 3.1.5 CHANGES IN SHAREHOLDERS' EQUITY

| CHANGES IN SHAREHOLDERS' EQUITY (figures in thousands of Euros) | Share capital | Statutory reserve | Share premium reserve | Other reserves | Translation reserve | Profit (loss) carried forward | OCI reserve | Profit (loss) for the year | Shareholders' equity (Group share) | Shareholders' equity (minority interests) | Total shareholders' equity |
|---|---|---|---|---|---|---|---|---|---|---|---|
| SHAREHOLDERS' EQUITY AT 31.12.2022 | 27,026 | 5,405 | 12,484 | (21,434) | 1,522 | 4,094 | 266 | (15,836) | 13,527 | (8) | 13,519 |
| Allocation of 2022 net income/(loss) | - | - | - | - | - | (15,836) | - | 15,836 | - | - | - |
| Other changes in shareholders' equity | - | - | - | 12 | (1,428) | | | | (1,416) | (49) | (1,465) |
| Profit (loss) at 30.06.2023 | - | - | - | - | - | - | - | (1,645) | (1,645) | (182) | (1,827) |
| Other components of comprehensive income (loss) | - | - | - | - | (3) | - | (66) | | (69) | | (69) |
| *Profit (loss) for the period* | - | - | - | - | *(3)* | - | *(66)* | *(1,645)* | *(1,714)* | *(182)* | *(1,896)* |
| SHAREHOLDERS' EQUITY AT 30.06.2023 | 27,026 | 5,405 | 12,484 | (21,422) | 91 | (11,742) | 200 | (1,645) | 10,397 | (239) | 10,158 |

| CHANGES IN SHAREHOLDERS' EQUITY (figures in thousands of Euro) | Share capital | Statutory reserve | Share premium reserve | Other reserves | Translation reserve | Profit (loss) carried forward | OCI reserve | Profit (loss) for the year | Shareholders' equity (Group share) | Shareholders' equity (minority interests) | Total shareholders' equity |
|---|---|---|---|---|---|---|---|---|---|---|---|
| SHAREHOLDERS' EQUITY AT 12.31.2023 | 27,026 | 5,405 | 12,484 | (21,431) | - | (11,742) | 90 | 762 | 12,595 | 24 | 12,619 |
| Allocation of 2023 net income/(loss) | - | - | - | - | - | 762 | - | (762) | - | - | - |
| Distribution of dividends | - | - | (1,817) | - | - | - | - | - | (1,817) | - | (1,817) |
| Other changes in shareholders' equity | - | - | | 260 | - | - | | - | 260 | (70) | 190 |
| Profit (loss) at 06.30.2024 | - | - | - | - | - | - | - | 8,439 | 8,439 | 5 | 8,444 |
| Other components of comprehensive income (loss) | - | - | - | - | - | - | 161 | - | 161 | - | 161 |
| *Profit (loss) for the period* | - | - | - | - | - | - | *161* | *8,439* | *8,600* | *5* | *8,605* |
| SHAREHOLDERS' EQUITY AT 06.30.2024 | 27,026 | 5,405 | 10,667 | (21,171) | - | (10,980) | 251 | 8,439 | 19,638 | (41) | 19,597 |

For comments on the individual items, reference should be made to note L. "Shareholders' equity" in the Notes to the consolidated financial statements.

### 3.2.1 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

This Half-Year Financial Report, prepared on a consolidated basis, has been prepared in accordance with the international accounting standards effective at the date of the financial statements, approved by the International Accounting Standards Board (IASB) and adopted by the European Commission in accordance with the procedure set forth in article 6 of Regulation (EC) No. 1606/2002 of the European Parliament and Council of July 19, 2002 and pursuant to article 9 of Legislative Decree 38/2005. The condensed interim consolidated financial statements of the PLC Group have been prepared in accordance with the provisions of IAS 34 - Interim Financial Reporting and using the same consolidation principles and recognition and measurement criteria as those adopted for the Annual Financial Report as at December 31, 2023, to which reference should be made.

This Half-Year Financial Report consists of the Consolidated Statement of Financial Position, the Consolidated Income Statement, the Consolidated Comprehensive Income Statement, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Shareholders' Equity, as well as the Notes prepared in accordance with current IAS/IFRS.

In preparing the condensed interim consolidated financial statements as at June 30, 2024, the Directors considered the going concern assumption to be fulfilled. In fact, there were no critical issues or points of attention concerning the Group's ability to continue as a going concern; the net financial debt, amounting to Euro 3,019 thousand, improved compared to December 31, 2023.

The condensed interim consolidated financial statements at June 30, 2024 were authorized for publication by the Board of Directors on September 30, 2024.

It should be noted that the assets and liabilities and the result for the period relating to Tirreno S.r.l. and the impacts of the period attributable to the removal of Schmack Biogas S.r.l. and its subsidiaries from the consolidation scope have been treated in accordance with IFRS 5. The comparative period was also restated in accordance with the same accounting standard.

*Going concern assumption*

The economic-financial and commercial results (in terms of backlog and pipeline values) for the period and the forecasts of the PLC Group, included in the 2023-2027 Business Plan approved on December 22, 2022, do not show any criticality in relation to the adequacy of cash and credit lines to allow it to meet its financial commitments for a future period of at least 12 months from the date of approval of these financial statements. From an equity perspective, moreover, it should be noted that the Parent Company and Group's equity balance is adequate for the performance of business activities.

In light of the foregoing, the Directors considered the going concern assumption to be respected and therefore prepared the condensed interim consolidated financial statements using the standards and criteria applicable to operating companies.

## ADOPTION OF APPROVED ACCOUNTING STANDARDS AND INTERPRETATIONS, EFFECTIVE FROM JANUARY 1, 2024

The accounting standards adopted for the preparation of the consolidated interim financial statements are consistent with those used for the preparation of the consolidated financial statements at December 31, 2023, except for the adoption of new standards and amendments effective January 1, 2024. The Group has not arranged for the early adoption of any new standards, interpretations or amendments issued but not yet in force.

Several changes apply for the first time in 2024, but did not have an impact on the Group's condensed interim consolidated financial statements

### *Presentation of the Financial Statements: Classification of liabilities as current or non-current - Amendments to IAS 1*

On January 23, 2020, the IASB published an amendment to IAS 1 that aims to clarify one of the criteria in IAS 1 for classifying a liability as non-current, namely the requirement that the entity must have the right to defer settlement of the liability for at least 12 months after the reporting date. The amendment includes:

- indication that the right to defer settlement must exist at the end of the reporting period;
- clarification regarding the fact that classification is unaffected by management intentions or expectations about possible exercise of the deferral right;
- clarification about how loan conditions influence classification and;
- clarification of the requirements for classifying a liability that the entity intends to settle or might settle by the transfer of its own capital instruments.

In addition, on October 31, 2022, the IASB published amendments that relate to non-current liabilities subject to conditions. Only the terms of a liability arising from a loan arrangement that an entity must meet by the reporting date will affect the classification of that liability as current or non-current. The new amendment applies on or after January 1, 2024, and is to be applied retroactively.

### *Lease liabilities in a sale and leaseback - Amendments to IFRS 16*

On September 22, 2022, the IASB issued an amendment to this standard that specifies the requirements that a seller-lessee uses to measure the lease liability arising from a sale and leaseback operation to ensure that the seller-lessee does not recognize any amount of gain or loss that relates to the right of use it retains. The amendment is intended to improve the requirements for sale and leaseback operations in IFRS 16 but it does not change the accounting for leases that are not related to sale and leaseback operations.

The amendment will be effective for financial years beginning on January 1, 2024; early application is permitted.

*Cash Flow Statement and IFRS 7 Financial Instruments: Supplementary Information: Reverse Factoring Arrangements - Amendments to IAS 7*

On May 25, 2023, the IASB issued amendments to IAS 7 Cash Flow Statement and IFRS 7 Financial Instruments: Supplementary Information, to clarify the characteristics of reverse factoring agreements and request further disclosure of such agreements. The information requirements included in the amendments are intended to assist users of financial statements in understanding the effects on an entity liabilities, cash flows and exposure to liquidity risk of reverse factoring arrangements.

The amendments will be effective for financial years beginning on or after January 1, 2024. Early application is permitted and disclosure of this is required.

ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET IN FORCE AND/OR ENDORSED

*Effects of changes in foreign currency exchange rates: Lack of exchangeability - Amendments to IAS 21*

On August 15, 2023, the IASB issued amendments to IAS 21 that specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. A currency is considered exchangeable into another currency when the entity is able to obtain the other currency within a period of time that permits a normal administrative delay and through an exchange market or mechanism in which an exchange operation would create enforceable rights and obligations.

If a currency is not exchangeable into another currency, the entity is required to estimate the spot exchange rate at the assessment date. The entity goal in estimating the spot exchange rate is to reflect the rate at which an orderly exchange operation would take place at the assessment date between market participants under prevailing economic conditions. The amendments note that an entity may use an observable exchange rate without adjustments or other estimation techniques. When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it provides information that enables users of its financial statements to understand how the non-exchangeable currency in the other currency affects, or is expected to affect, the entity results of operations, financial position and cash flows. The amendments will be effective for financial years beginning on or after January 1, 2025. Early application is permitted and disclosure of this is required.

*IFRS 18 - Presentation and Disclosure in Financial Statements*

During April 2024, the IASB issued IFRS 18 - Presentation and Disclosure in Financial Statements, which introduces new concepts relating to: (i) the structure of the income statement; (ii) the disclosures required in the financial statements for certain income performance measures reported outside the financial statements (as defined by management); and (iii) enhanced aggregation and disaggregation principles that apply to both the financial statements and the notes as a whole. The standard will enter into force on January 1, 2027. The Group is assessing the potential impact of adopting this standard.

*IFRS 19 - Subsidiaries without Public Accountability: Disclosures*

In May 2024, the IASB issued IFRS 19 - Subsidiaries without Public Accountability: Disclosures, which allows certain subsidiaries to use IFRS accounting standards with a reduced degree of disclosure, better suited to the needs of their stakeholders, as well as to keep only one set of accounting records that is able to meet the needs of the parent and the subsidiary. The standard will enter into force on January 1, 2027 and early application is permitted. The Group is assessing the potential impact of adopting this standard.

*Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)*

In May 2024, the IASB published Amendments to the Classification and Measurement of Financial Instruments, clarifying that a financial liability is derecognized at the "settlement date" and introducing an accounting policy for the derecognition of financial liabilities through the use of an electronic payment system prior to the "settlement date". Further clarifications concern the classification of financial assets with ESG-related characteristics through additional guidance on the assessment of contingent characteristics. Clarifications were also made to non-recourse loans and contractually related instruments. Finally, additional disclosures were introduced for financial instruments with contingent features and equity instruments classified at "Fair value through OCI". The standard will enter into force on January 1, 2026 and early application is permitted. The Group is assessing the potential impact of adopting this standard.

### 3.2.2 SCOPE OF CONSOLIDATION

The scope of consolidation includes the financial statements of the parent company and the financial statements of the subsidiaries. Subsidiaries are defined as those for which: the voting rights, even potential ones, held by the Group allow it to exercise the majority of votes in the company's ordinary shareholders' meeting; control is achieved on the basis of the content of any agreements between shareholders or the existence of particular clauses in the articles of association, which give the Group the power to govern the company; the Group controls a sufficient number of votes to exercise de facto control of the company's ordinary shareholders' meeting.

Subsidiaries are fully consolidated on a line-by-line basis in the consolidated accounts from the date on which control is realized until control is transferred outside the Group.

At the reporting date, the Group had no investments in associates to be valued using the equity method.

| Name | Registered Office | Date of closure of the financial year | Currency | Share capital | Result 06.30.2024 | Shareholders' equity 06.30.2024 | % held | | Through |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Direct | Indirect | |
| PLC S.p.A. | Acerra - NA (IT) | 06.30.2024 | EUR | 27,026,480 | 6,769,030 | 43,812,461 | | | |
| **Subsidiaries consolidated on a line-by-line basis** | | | | | | | | | |
| PLC System S.r.l. | Acerra - NA (IT) | 06.30.2024 | EUR | 10,000,000 | 1,761,598 | 11,441,746 | 100% | | |
| PLC Service S.r.l. | Acerra - NA (IT) | 06.30.2024 | EUR | 100,000 | 2,383,148 | 3,891,882 | 100% | | |
| PLC Service Wind S.r.l. | Acerra - NA (IT) | 06.30.2024 | EUR | 100,000 | (98,651) | 202,442 | 100% | | |
| MSD Service S.r.l. | Acerra - NA (IT) | 06.30.2024 | EUR | 10,000 | (15,543) | 19,393 | 92.5% | | |
| PLC Power S.r.l. | Acerra - NA (IT) | 06.30.2024 | EUR | 100,000 | (993,500) | 326,969 | 100% | | |
| C&C Irsina S.r.l. | Acerra - NA (IT) | 06.30.2024 | EUR | 100,000 | (4,332) | 144,982 | | 100% | PLC Power S.r.l. |
| Alisei Wind S.r.l. | Acerra - NA (IT) | 06.30.2024 | EUR | 130,000 | 986 | 76,314 | | 100% | PLC Power S.r.l. |
| Cisterna Energia S.r.l | Acerra - NA (IT) | 06.30.2024 | EUR | 10,000 | (1,322) | 8,089 | | 60% | PLC Power S.r.l. |
| Samnium S.r.l. | Acerra - NA (IT) | 06.30.2024 | EUR | 10,000 | (1,505) | 7,906 | | 60% | PLC Power S.r.l. |
| Florianum Energia S.r.l. | Acerra - NA (IT) | 06.30.2024 | EUR | 10,000 | (527) | 9,473 | | 60% | PLC Power S.r.l. |
| Cinigiano Energia S.r.l. | Acerra - NA (IT) | 06.30.2024 | EUR | 10,000 | (527) | 9,473 | | 60% | PLC Power S.r.l. |
| **Subsidiaries reclassified as IFRS5** | | | | | | | | | |
| Tirreno S.r.l. | Porto Empedocle - AG (IT) | 06.30.2024 | EUR | 10,000 | (5,811) | 162,847 | | 66.6% | PLC Power S.r.l. |

The scope of consolidation at June 30, 2024 changed compared to December 31, 2023 following the sale of Schmack Biogas S.r.l. and its subsidiaries, concluded on March 7, 2024; in particular, the related income statement for the period from January 1, 2024 to March 7, 2024 was not consolidated due to (i) a deal structure based on a reference date of December 31, 2023 and (ii) the non-availability of economic-financial information at the closing date; however, it is recalled that the lack of consolidation has not produced economic effects. It is also noted that, at June 30, 2024, Tirreno S.r.l. is classified as an asset held for sale and that the subsidiary PLC System Montenegro D.O.O. was liquidated on February 6, 2024.

### 3.2.3 NOTES ON THE CONSOLIDATED RESULTS AT JUNE 30, 2024

#### A. TANGIBLE ASSETS

The balance of tangible assets at June 30, 2024 was Euro 6,659 thousand (Euro 6,538 thousand at December 31, 2023).

| TANGIBLE ASSETS (figures in thousands of Euro) | Land and buildings | General and Specific Plants | Equipment | Office machines and other assets | Fixed assets in progress | Rights to use tangible assets | Total |
|---|---|---|---|---|---|---|---|
| Valore netto al 31.12.2023 | 3,079 | 376 | 1,862 | 127 | 640 | 455 | 6,538 |
| Increases | 14 | 36 | 114 | 109 | 118 | 459 | 850 |
| Decreases | - | - | - | (0) | - | - | (0) |
| Depreciation and write-downs | (55) | (23) | (149) | (58) | - | (222) | (507) |
| IFRS5 reclassifications | (120) | - | - | - | (102) | - | (222) |
| Net value at 30.06.2024 | 2,918 | 388 | 1,827 | 177 | 656 | 692 | 6,659 |

Increases for the year, in the amount of Euro 850 thousand, mainly refer to (i) the purchase of machinery and equipment, for Euro 223 thousand, and (ii) rights of use relating to the lease of the car and motor vehicle fleet, for Euro 459 thousand. “IFRS5 reclassifications” refer to the reclassification under the same accounting standard of the land of Tirreno S.r.l. as an asset held for sale.

#### B. GOODWILL

Goodwill at June 30, 2024 amounted to Euro 4,711 thousand (Euro 4,750 thousand at December 31, 2023).

| GOODWILL (figures in thousands of Euro) | 31.12.2023 | Increases | Decreases | Reclassifications | 30.06.2024 |
|---|---|---|---|---|---|
| Reverse merger operation | 4,711 | - | - | - | 4,711 |
| Idroelettrica acquisition | - | - | - | - | - |
| MSD Service acquisition | 39 | - | (39) | - | - |
| Total | 4,750 | - | (39) | - | 4,711 |

*__Impairment__*

As required by the relevant accounting standards - and as recommended by the national and international Supervisory Authorities - at June 30, 2024, the directors analyzed the presence or absence of impairment indicators and performed the impairment test on all of the Group’s CGUs active at the date the test was performed (thus excluding the MSD CGU given the ongoing liquidation process). When monitoring impairment indicators, the PLC Group considers, among others, the ratio of its market capitalization to its reported equity. At June 30, 2024, the market capitalization of the Group, equal to Euro 41,018 thousand, is higher than the shareholders’ equity of the same date, equal to Euro 19,597 thousand.

Consistent with previous years, the recoverability of the carrying values of the CGUs was verified by comparing the net book value of each CGU with its relative recoverable value, which is determined on the basis of value in use, obtained by discounting the future cash flows generated by each CGU at the weighted average cost of capital (WACC) specific to each business segment in which the individual CGU operates. In fact, given the nature of the PLC Group’s assets, the fair value of CGUs cannot be determined from information directly observable in the market, and its estimation based on alternative valuation techniques is limited and in some cases difficult to apply.

The cash flows used to estimate the recoverable amount of the individual CGUs were determined starting from the data of the 2023-2027 Business Plan approved by the Board of Directors, considering an explicit 3-year time horizon for impairment purposes, appropriately updated (i) replacing the flows for the 2024 financial year with the expected results of the second half of the year (ii) taking into account, in line with the requirements of ESMA Public Statements of October 25, 2023, the discontinuity factors connected to the current macro-economic, environmental, geopolitical and energy context.

They were determined on the basis of the best available information and expectations at the time of the estimate. These forecasts take into account management's future expectations in relation to the respective business segments, as well as actual results.

Cash flows include - at the end of the explicit period - a terminal value determined on the basis of the perpetuity method by applying a long-term growth rate "g" of 1% to the terminal cash flow, consistent with the long-term and predictable development of the macro-economic context in which the PLC Group operates.

These estimates, consistent with IAS 36, do not consider any inflows or outflows arising from (i) a future restructuring that has not yet been approved or for which the entity has not yet committed or (ii) the improvement or optimization of business performance based on initiatives that have not yet been started or approved for which there is still no commitment to third parties.

The value in use at June 30, 2024 was therefore determined by discounting the after-tax cash flows using a specific discount rate for each business segment. The discount rates used on June 30, 2024 were updated from those used on December 31, 2023 and June 30, 2023. The assumptions made take into account the level of interest rates over the past six months.

| Evolution of discount rates used for the impairment test | 06.30.2024 | 12.31.2023 | 06.30.2023 |
|---|---|---|---|
| Construction Segment - Italy | 10.12% | 10.22% | 10.08% |
| Services Segment - Italy | 9.17% | 9.27% | 10.40% |
| Level 2 WACC | 9.21% | 9.31% | 10.33% |

The results of the impairment tests were also subject to a sensitivity analysis by applying changes to both the discount rate (WACC) and the long-term growth rate "g".

The results of the impairment tests - which were also subject to a sensitivity analysis, applying changes to both the discount rate (WACC) and the long-term growth rate "g" - were approved at the Board of Directors' meeting of September 30, 2024 (the same meeting at which, *inter alia,* this Report was approved).

The test showed a surplus of recoverable value (head-room) over the book value for all the Group's CGUs.

## C. INTANGIBLE ASSETS

The balance of intangible assets at June 30, 2024 was Euro 4,065 thousand (Euro 3,802 thousand at December 31, 2023).

| INTANGIBLE ASSETS (figures in thousands of Euro) | Development costs | Other intangible assets | Intangible assets in progress | Total |
|---|---|---|---|---|
| Valore netto al 31.12.2023 | 578 | 1,852 | 1,372 | 3,802 |
| Increases | - | 42 | 533 | 575 |
| Decreases | - | - | - | - |
| Amortization and write-downs | (174) | (138) | - | (312) |
| IFRS5 reclassifications | - | - | - | - |
| Net value at 30.06.2024 | 404 | 1,756 | 1,905 | 4,065 |

The increases for the year, amounting to Euro 575 thousand, mainly refer: (i) for Euro 38 thousand to investments in software mainly related to the management software at Group level; (ii) for Euro 373 thousand to development costs related to the MAIA project in progress at PLC Service S.r.l.; (iii) for Euro 160 thousand to costs incurred in relation to the development of authorizations for wind and photovoltaic plants by the subsidiary PLC Power S.r.l..

## D. EQUITY INVESTMENTS IN OTHER COMPANIES

| EQUITY INVESTMENTS IN OTHER COMPANIES (figures in thousands of Euro) | 31.12.2023 | Increases | Decreases | 30.06.2024 |
|---|---|---|---|---|
| Equity investment in Banca del Sud | 10 | - | - | 10 |
| Other equity investments | 1 | - | - | 1 |
| Total | 11 | - | - | 11 |

The item Equity investments in other companies amounted to Euro 11 thousand as at June 30, 2024, unchanged compared to December 31, 2023.

## E. DEFERRED TAX ASSETS

Deferred tax assets at June 30, 2024 equal Euro 460 thousand (Euro 1,402 thousand at December 31, 2023).

| DEFERRED TAX ASSETS (figures in thousands of Euro) | 31.12.2023 | Increases | Decreases | 30.06.2024 |
|---|---|---|---|---|
| Deferred tax assets | 1,402 | - | (942) | 460 |
| Total | 1,402 | - | (942) | 460 |

The decreases relate to temporary differences between the carrying amounts and the fiscally recognized values of some financial statements items, mainly relating to the tax effect recognized on the losses of previous years, the allocation to provisions for risks and the discounting of the employee severance indemnity pursuant to IAS 19.

Specifically, in relation to prior tax losses, the directors had recognized the relevant deferred tax assets in the annual financial report for the year 2023, as they believed - based on the Group's short- to medium-term outlook, including the 2023-2027 business plan - that there was reasonable certainty of their recovery. This reasonable certainty is confirmed at the date of the financial statements as already in the first half of 2024, the Group's economic-financial trend allows for the release of Euro 909 thousand and the Group's economic outlook shows prospective taxable income such as to guarantee its recoverability in a time horizon deemed congruous and even lower than the 2023-2027 Plan period.

## F. RECEIVABLES AND OTHER NON-CURRENT ASSETS

| NON-CURRENT RECEIVABLES (figures in thousands of Euro) | 30.06.2024 | 31.12.2023 |
|---|---|---|
| Non-current receivables from related parties | - | - |
| Non-current receivables from others | 1,130 | 1,233 |
| **Total** | **1,130** | **1,233** |

The item "Receivables and other non-current assets", amounting to Euro 1,130 thousand at June 30, 2024 (Euro 1,233 thousand at December 31, 2023) mainly includes the portion of trade receivables due after one year as a result of interest-bearing repayment plans signed with certain customers.

## G. NON-CURRENT DERIVATIVE INSTRUMENTS

Non-current derivative instruments had a positive fair value of Euro 33 thousand at June 30, 2024 (Euro 52 thousand at December 31, 2023).

| NON-CURRENT DERIVATIVE INSTRUMENTS (figures in thousands of Euro) | 30.06.2024 | 31.12.2023 |
|---|---|---|
| Interest Rate Contracts | 33 | 52 |
| **Total** | **33** | **52** |

It should be noted that, with reference to derivative contracts, the PLC Group, at June 30, 2024, had only one active interest rate hedging contract, linked to the BPER bank loan of its subsidiary PLC System S.r.l., which was measured at fair value with changes recognized in the income statement; the reduction recorded with respect to December 31, 2023 is entirely related to the change in fair value in the period of reference.

## H. INVENTORIES AND CONTRACT ASSETS

| INVENTORIES AND CONTRACT ASSETS (figures in thousands of Euro) | 30.06.2024 | 31.12.2023 |
|---|---|---|
| Inventories of raw materials | 7,489 | 6,847 |
| Raw material write-down provision | (703) | (631) |
| Inventories of raw materials | 6,786 | 6,216 |
| Contract assets | 9,607 | 7,174 |
| Total | 16,393 | 13,390 |

Inventories

At June 30, 2024, inventories amounted to Euro 6,786 thousand (Euro 6,216 thousand at December 31, 2023). Inventories, which include raw materials intended for Engineering & Construction segment activities and spare parts mainly intended for O&M activities of the Services segment, recorded an increase linked to the increase in activities in the Services and Engineering & Construction segments and are exposed net of a provision write-down equal to Euro 703 thousand.

The changes in the inventory write-down provision are shown below.

| INVENTORY WRITE-DOWN PROVISION (figures in thousands of Euro) | 31.12.2023 | Increases | Decreases | 30.06.2024 |
|---|---|---|---|---|
| Inventory write-down provision | (631) | (73) | 1 | (703) |

Contract assets

Contract assets at June 30, 2024 amounted to Euro 9,607 thousand (Euro 7,174 thousand at December 31, 2023). The item contract assets is determined by the time difference between the operational progress of projects (on the basis of which revenues are recognized) and the contractual progress (on the basis of which the related invoices receivable are issued). The increase from the previous year is due to the specific progress - at the date of these financial statements - of PLC Service S.r.l. revamping/repowering job orders contracted in 2023; these job orders - at the date of publication of these financial statements and at the time of the near completion of the works - have already seen a realignment of this item.

It should be noted that contract cost estimates are systematically reviewed to take into account any positive and/or negative, actual and/or expected deviations that may emerge during the progress of works, in light of information known to management.

## I. TRADE RECEIVABLES

Trade receivables at June 30, 2024 amounted to Euro 18,437 thousand, down compared to Euro 19,219 thousand at December 31, 2023. The decrease is mainly due to the waiver - already mentioned - of receivables claimed by PLC Power S.r.l. in relation to the sale - finalized on May 26, 2020 - of the 2 wind power projects

C&C Uno Energy S.r.l. and C&C Castelvetere S.r.l. Trade receivables are shown net of the related provision for bad debts, which amounted to Euro 893 thousand.

| TRADE RECEIVABLES (figures in thousands of Euro) | 30.06.2024 | 31.12.2023 |
|---|---|---|
| Trade receivables from related parties | - | - |
| Trade receivables from others | 19,330 | 20,135 |
| Bad debt provision for receivables from others | (893) | (916) |
| Trade receivables from others | 18,437 | 19,219 |
| Total | 18,437 | 19,219 |

The movements in the bad debt provision are shown below.

| BAD DEBT PROVISION (figures in thousands of Euro) | 31.12.2023 | Increases | Decreases | 30.06.2024 |
|---|---|---|---|---|
| Bad debt provision | (916) | - | 23 | (893) |

## J. CURRENT FINANCIAL RECEIVABLES

Current financial receivables at June 30, 2024 amounted to Euro 1,090 thousand (Euro 18 thousand at December 31, 2023). The increase compared to the previous year relates to the recognition, pursuant to IFRS 3 and IFRS 9, of Earn-Outs related to the sale of the Schmack perimeter for Euro 1,085 thousand; it is recalled that, at the date of publication of these financial statements, a significant portion of this amount - equal to Euro 720 thousand - had already been recognized. In particular, the contract signed for this sale provides that the consideration is partly fixed, amounting to Euro 7.6 million, and partly variable, so-called Earn-out, amounting to a maximum of Euro 2.8 million for PLC, linked to the following two parameters:

- an additional price based on the attainment of certain thresholds of (i) backlog acquisitions both in terms of contract value and associated gross margin and (ii) Schmack Biogas S.r.l. actual revenues. These values will be calculated on the basis of the results accrued from January 1, 2024 until the end of 12 months from the date of sale (March 7, 2025);
- an additional price if, during the 36 months following the date of transfer, Schmack Biogas S.r.l. successfully completes the authorization procedures for the projects held through its subsidiaries.

| CURRENT FINANCIAL RECEIVABLES (figures in thousands of Euro) | 30.06.2024 | 31.12.2023 |
|---|---|---|
| Current financial receivables from related parties | 5 | 18 |
| Current financial receivables from others | 1,085 | - |
| Total | 1,090 | 18 |

Financial receivables from related parties are illustrated in paragraph 3.2.4.

## K. OTHER RECEIVABLES

The total balance of other receivables at June 30, 2024 was Euro 6,860 thousand (Euro 6,435 thousand at December 31, 2023).

| OTHER CURRENT RECEIVABLES (figures in thousands of Euro) | 30.06.2024 | 31.12.2023 |
|---|---|---|
| Other receivables from related parties | - | - |
| Tax receivables | 1,684 | 1,143 |
| Advances, deposits and security deposits | 4,289 | 4,385 |
| Accrued income and prepaid expenses | 611 | 248 |
| Other receivables | 65 | 378 |
| Other receivables from others | 6,860 | 6,435 |
| Total | 6,860 | 6,435 |

The item “Advances, deposits and security deposits”, slightly down from the previous year, is impacted by the dynamics of supply chains characterized - for the past couple of years, mainly as a consequence of the geopolitical context, and in discontinuity with the past - by purchase costs and uncertain delivery times; suppliers of raw materials and materials therefore require larger advances, sometimes already at the time of order signing, in order to lock in purchase prices and delivery times.

Tax receivables of Euro 1,684 thousand at June 30, 2024 (Euro 1,143 thousand at December 31, 2023) mainly relate to VAT credits and tax credits.

## L. SHAREHOLDERS’ EQUITY

Group consolidated shareholders’ equity at June 30, 2024 amounted to Euro 19,597 thousand, of which negative Euro 41 thousand attributable to minority interests. The changes in shareholders’ equity relate to (i) the positive overall result for the period of Euro 8,605 thousand, (ii) the distribution of dividends in May 2024 for Euro 1,817 thousand (equal to Euro 0.07 per share), and (iii) other changes in shareholders’ equity for Euro 190 thousand, mainly related to the deconsolidation of Schmack Biogas S.r.l. - and its subsidiaries - and the recapitalization by the minority shareholder of Tirreno S.r.l..

The stock market capitalization of the PLC share at June 30, 2024, equal to Euro 41,018 thousand, is higher than its consolidated shareholders’ equity as at the reference date.

## M. NET FINANCIAL DEBT

| NET FINANCIAL DEBT (figures in thousands of Euro) | 30.06.2024 | 31.12.2023 |
|---|---|---|
| A. CASH AND CASH EQUIVALENTS | 8,821 | 9,961 |
| B. CASH AND CASH EQUIVALENTS | - | - |
| C. OTHER CURRENT FINANCIAL ASSETS | - | - |
| D. LIQUIDITY (A + B + C) | 8,821 | 9,961 |
| E. CURRENT FINANCIAL DEBT | (140) | - |
| Short-term financial liabilities | (2,514) | (4,767) |
| Financial liabilities IFRS 16 | (439) | (378) |
| F. CURRENT PART OF NON-CURRENT FINANCIAL DEBT | (2,953) | (5,145) |
| G. CURRENT FINANCIAL DEBT (E + F) | (3,093) | (5,145) |
| H. NET CURRENT FINANCIAL DEBT (G - D) | 5,728 | 4,816 |
| Long-term financial liabilities | (2,028) | (3,045) |
| Financial liabilities IFRS 16 | (681) | (500) |
| I. NON-CURRENT FINANCIAL DEBT | (2,709) | (3,545) |
| J. DEBT INSTRUMENTS | - | - |
| K. TRADE PAYABLES AND OTHER NON-CURRENT PAYABLES | - | - |
| L. NON-CURRENT FINANCIAL DEBT (I + J + K) | (2,709) | (3,545) |
| M. NET FINANCIAL DEBT (H + L) | 3,019 | 1,271 |

The net financial debt of the PLC Group at June 30, 2024 was positive for Euro 3,019 thousand, marking a positive change of Euro 1,748 thousand compared to December 31, 2023.

The total amount of financial debt relating to bank loans decreased by Euro 3,270 thousand due to repayments made in accordance with the amortization schedules.

### *Loans outstanding at June 30, 2024*

Shown below is a list of loans outstanding at June 30, 2024 for the capital share only.

| Loans (figures in thousands of Euro) | Company | Last expiry date | Short-term portion | Long-term portion | Total remaining financing 06.30.2024 |
|---|---|---|---|---|---|
| BNL loan | PLC S.p.A. | 22/01/2025 | 608 | - | 608 |
| BPM loan (MCC Guarantee 90%) | PLC S.p.A. | 03/07/2024 | 149 | - | 149 |
| BPM loan | PLC System S.r.l. | 30/06/2026 | 545 | 531 | 1,076 |
| BPER loan (MCC Guarantee 80%) | PLC System S.r.l. | 02/02/2027 | 600 | 402 | 1,002 |
| BNL loan | PLC Service S.r.l. | 31/07/2029 | 145 | 653 | 798 |
| BNL Loan FV (MCC Guarantee 90%) | PLC Service S.r.l. | 28/06/2027 | 58 | 116 | 175 |
| BNL Casalbore Property loan (Sace Guarantee 80%) | PLC Service S.r.l. | 31/03/2028 | 45 | 136 | 182 |
| Soft loan PON project | PLC Service S.r.l. | 30/06/2031 | 31 | 190 | 221 |
| MPS loan | PLC Service S.r.l. | 09/11/2024 | 331 | - | 331 |
| Unicredit advance | PLC Service Wind S.r.l. | Subject to revocation | 140 | - | 140 |
| Total | | | 2,654 | 2,028 | 4,682 |

With reference to the coverage of the risk deriving from the variation of interest rates, it is recalled that the subsidiary PLC System S.r.l. has signed an Interest Rate Option Cap contract on the existing loan with BPER (for further details, see note G. “Non-current derivative instruments”).

It is noted that the existing loans between PLC S.p.A. and Banca Nazionale del Lavoro S.p.A. for a residual amount of Euro 608 thousand and between PLC Service S.r.l. and Banca Nazionale del Lavoro S.p.A. for a residual amount of Euro 798 thousand, require compliance with certain financial constraints (ratio of financial debt and EBITDA and ratio of financial debt and equity) differentiated for the 2 loans and subject to annual verification. Failure to comply with either covenants may result in forfeiture. At the date of the last audit (December 31, 2023), both constraints had been met for both loans.

The guarantees given in favor of loans granted to the Group are illustrated in detail in the Notes relating to commitments and guarantees.

## N. PROVISIONS FOR NON-CURRENT RISKS AND CHARGES

At June 30, 2024, the non-current provisions for risks and charges amounted to Euro 625 thousand (Euro 675 thousand at December 31, 2023) and included the best estimate, based on the information available at that date and taking into account the valuation elements acquired from external consultants, of the possible obligations of the PLC Group and costs.

| PROVISIONS FOR NON-CURRENT RISKS AND CHARGES (figures in thousands of Euro) | 31.12.2023 | Increases | Decreases | 30.06.2024 |
|---|---|---|---|---|
| Provision for contractual penalties | 125 | - | - | 125 |
| Other risk provisions | 550 | - | (50) | 500 |
| **Total** | **675** | **-** | **(50)** | **625** |

The decreases for the period, amounting to Euro 50 thousand, relate to the reclassification of the provision set up against the dispute involving the company Tirreno S.r.l., reclassified as Liabilities for sale.

## O. EMPLOYEE SEVERANCE INDEMNITY

The provision for employee severance indemnity ("**TFR**") at June 30, 2024 is equal to Euro 2,412 thousand (in line with the figure at December 31, 2023).

| EMPLOYEE SEVERANCE INDEMNITY (figures in thousands of Euro) | 31.12.2023 | Increases (Decreases) | Provisions | Utilizations | Actuarial gains/losses | 30.06.2024 |
|---|---|---|---|---|---|---|
| Employee severance indemnity | 2,412 | - | 399 | (308) | (91) | 2,412 |

Employee severance indemnity includes amounts due to employees that are not transferred to supplementary pension funds or to the treasury fund set up at INPS. Employee severance indemnity is identified as defined benefit plans under IAS 19, and is therefore subject to actuarial valuations, in order to express the current value of the benefit payable at the end of the employment relationship that employees have accrued at the date of the financial statements.

The following table summarizes the main actuarial assessment assumptions.

| EMPLOYEE SEVERANCE INDEMNITY Assumptions adopted | Discount rate | Generic nominal growth rate in wages | Annual turnover rate | Probability of requesting advances TFR (Employee severance indemnity) | Advance request measure | Survival table (Males) | Survival table (Females) | Probability of disability (Males) | Probability of disability (Females) |
|---|---|---|---|---|---|---|---|---|---|
| PLC SpA | 3.61% | 2.20% | 4.00% | 3.00% | 70.00% | M2019 | F2019 | Null | Null |
| PLC System | 3.61% | 2.20% | 4.00% | 3.00% | 70.00% | M2019 | F2019 | Null | Null |
| PLC Service | 3.61% | 2.20% | 4.00% | 3.00% | 70.00% | M2019 | F2019 | Null | Null |
| PLC Service Wind | 3.61% | 2.20% | 4.00% | 3.00% | 70.00% | M2019 | F2019 | Null | Null |

For discounting purposes, rates of return referring to ten-year bonds of highly rated issuers (AA Corporate Bonds) were used.

At June 30, 2024, the Group had 258 employees (233 at December 31, 2023), of which 5 managers, 113 executives and clerks and 140 workers. The average number of employees by category and the comparison with the previous year are shown in the table below.

| AVERAGE NUMBER OF EMPLOYEES (in units) | 30.06.2024 | 31.12.2023 |
|---|---|---|
| Managers | 6 | 7 |
| Middle managers and clerical staff | 107 | 97 |
| Blue-collar workers | 129 | 106 |
| **Total** | **242** | **210** |

## P. DEFERRED TAX LIABILITIES AND OTHER NON-CURRENT TAXES

| DEFERRED TAX LIABILITIES AND OTHER NON-CURRENT TAXES (figures in thousands of Euro) | 31.12.2023 | Increases | Decreases | 30.06.2024 |
|---|---|---|---|---|
| Deferred tax liabilities and other non-current taxes | 211 | 18 | - | 229 |
| **Total** | **211** | **18** | **-** | **229** |

At June 30, 2024, the balance of deferred tax liabilities and other non-current liabilities amounted to Euro 229 thousand (Euro 211 thousand at December 31, 2023) and almost entirely consisted of the residual amount of deferred tax liabilities calculated on the fair value of the authorizations related to the C&C Energy Transaction.

## Q. PROVISIONS FOR CURRENT RISKS AND CHARGES

The provision for current risks and charges at June 30, 2024 amounted to Euro 45 thousand (in line with the figure at December 31, 2023).

| PROVISIONS FOR CURRENT RISKS AND CHARGES (figures in thousands of Euro) | 31.12.2023 | Increases | Decreases | 30.06.2024 |
|---|---|---|---|---|
| Provisions for current risks and charges | 45 | - | - | 45 |
| **Total** | **45** | **-** | **-** | **45** |

The provision refers entirely to the provision in PLC Service Wind S.r.l. for a potential performance-related penalty of a plant under management, the amount of which - if any - will be determined by the end of the financial year 2024.

## R. TRADE PAYABLES

The balance of trade payables at June 30, 2024 was Euro 23,230 thousand (Euro 22,854 thousand at December 31, 2023).

| TRADE PAYABLES<br>(figures in thousands of Euro) | 30.06.2024 | 31.12.2023 |
|---|---|---|
| **Trade payables to related parties** | **-** | **19** |
| Trade payables to others | 23,230 | 22,835 |
| **Total** | **23,230** | **22,854** |

## S. CONTRACT LIABILITIES

Contract liabilities, amounting to Euro 10,385 thousand (Euro 17,094 thousand at December 31, 2023) mainly concern advances and invoiced advances on multi-year job orders and revenue adjusted items in order to comply with the accrual principle, in application of the valuation criterion based on the contractual amounts accrued. The decrease from December 31, 2023 is attributable to the advancement of revamping/repowering orders contracted in 2023 of PLC Service S.r.l..

## T. OTHER PAYABLES

Other payables at June 30, 2024 amounted to Euro 6,508 thousand (Euro 4,034 thousand at December 31, 2023).

| OTHER PAYABLES<br>(figures in thousands of Euro) | 30.06.2024 | 31.12.2023 |
|---|---|---|
| Other payables to related parties | - | - |
| **Other payables to related parties** | **-** | **-** |
| Payables due to tax authorities | 1,426 | 985 |
| Accrued expenses and deferred income | 375 | 365 |
| Payables to social security institutions | 601 | 674 |
| Payables to directors | 73 | 93 |
| Other items | 4,033 | 1,917 |
| **Other payables to others** | **6,508** | **4,034** |
| **Total** | **6,508** | **4,034** |

"Other items" are mainly related to (i) payables to employees for unused wages, holidays and ROL (for Euro 2,177 thousand) and (ii) advance payments received from customers (for Euro 1,609 thousand); the change in the period is mainly due to the increase in advance payments from customers on orders in the Engineering & Construction Segment.

Amounts due to tax authorities mainly include direct taxes payable, VAT payables and withholding tax payables.

## AA. REVENUES FROM CORE BUSINESS

| REVENUES FROM CORE BUSINESS (figures in thousands of Euro) | 01.01.2024 30.06.2024 | 01.01.2023 30.06.2023 |
|---|---|---|
| **Revenues from related parties** | - | - |
| Revenues - Construction Segment | 16,959 | 16,045 |
| Revenues - Services Segment | 26,698 | 9,867 |
| Revenues - Trading Segment | - | 2,458 |
| Revenues - Holding Segment | - | - |
| **Revenues from others** | **43,657** | **28,370** |
| **Total** | **43,657** | **28,370** |

Revenues at June 30, 2024 amounted to Euro 43,657 thousand (Euro 28,370 thousand at June 30, 2023). Revenues relating to the Services Segment are strongly growing compared to the previous financial year (see paragraph "Analysis of the economic, equity and financial results of the group at June 30, 2023 – Services Segment"), the Engineering & Construction Segment is also increasing, while the reduction in revenues relating to the dispatching activities carried out by the subsidiary MSD Service S.r.l. is attributable to the inactivity of the company.

## BB. OTHER OPERATING REVENUES

Other revenues amounted to Euro 501 thousand at June 30, 2024 (Euro 533 thousand at June 30, 2023) and mainly consisted of revenues related to the capitalization of development costs related to the MAIA 4.0 project (Euro 373 thousand).

| OTHER OPERATING REVENUES (figures in thousands of Euro) | 01.01.2024 30.06.2024 | 01.01.2023 30.06.2023 |
|---|---|---|
| **Other operating revenues from related parties** | - | - |
| Revenues from BOT business | - | - |
| Other revenues | 501 | 533 |
| **Other operating revenues from others** | **501** | **533** |
| **Total** | **501** | **533** |

## CC. COSTS FOR RAW MATERIALS

| COSTS FOR RAW MATERIALS (figures in thousands of Euro) | 01.01.2024 30.06.2024 | 01.01.2023 30.06.2023 |
|---|---|---|
| Raw material purchases from related parties | - | - |
| Purchase of raw materials from third parties | 14,247 | 10,452 |
| **Total** | **14,247** | **10,452** |

Costs for raw materials at June 30, 2024 amounted to Euro 14,247 thousand (Euro 10,452 thousand at June 30, 2023), an increase compared to the same period of the previous year mainly due to the purchase of materials (in particular, photovoltaic modules) for the revamping/repowering activities at PLC Service S.r.l..

## DD. SERVICE COSTS

The breakdown of service costs totalling Euro 15,519 thousand (Euro 10,400 thousand at June 30, 2023) is shown below.

| SERVICE COSTS (figures in thousands of Euro) | 01.01.2024 06.30.2024 | 01.01.2023 06.30.2023 |
|---|---|---|
| Service costs from related parties | - | 9 |
| **Service costs from related parties** | **-** | **9** |
| Services and other goods | 13,750 | 8,554 |
| Administrative and tax consulting | 27 | 74 |
| Legal and notarial consulting | 58 | 184 |
| Technical and professional consulting | 167 | 237 |
| Compensation of control bodies | 121 | 104 |
| Independent Auditors fees | 61 | 126 |
| Maintenance and utilities | 383 | 352 |
| Insurance | 289 | 214 |
| Rentals and other costs on third-party assets | 645 | 496 |
| Lease liabilities and expenses | 18 | 50 |
| **Service costs from others** | **15,519** | **10,391** |
| **Total** | **15,519** | **10,400** |

The item “Services and other goods” mainly includes costs relating to third-party services at the construction sites of the plants and costs for third-party services relating to ordinary and extraordinary maintenance services on the plants under management; the increase recorded is attributable to the increase in turnover for the period, in particular in relation to the revamping / repowering activities of PLC Service S.r.l.. The item “Rentals and other costs of third-party assets” includes costs mainly related to the rental of equipment and machinery (i.e. cranes, platforms, etc.) for short periods and which do not fall within the scope of IFRS 16.

## EE. PERSONNEL COSTS

Personnel costs at June 30, 2024 amounted to Euro 8,325 thousand (Euro 6,194 thousand at June 30, 2023). The increase is mainly attributable to new hires during the reporting period and salary adjustments for the benefit of existing personnel; the remaining change relates to the effect of non-recurring items.

## FF. OTHER OPERATING COSTS

| OTHER OPERATING COSTS (figures in thousands of Euro) | 01.01.2024 06.30.2024 | 01.01.2023 06.30.2023 |
|---|---|---|
| Other operating costs from related parties | - | - |
| Indirect taxes and fees | 94 | 95 |
| Write-down of receivables and inventory | 72 | 8 |
| Other Provisions | - | 150 |
| Other expenses | 1,804 | 719 |
| Other operating costs from others | 1,970 | 972 |
| Total | 1,970 | 972 |

Other operating costs, at June 30, 2024, amounted to Euro 1,970 thousand (Euro 972 thousand at June 30, 2023), a significant increase compared to the previous year mainly due to the waiver - already mentioned - of receivables claimed by PLC Power S.r.l. in relation to the sale - finalized on May 26, 2020 - of the 2 wind farm projects C&C Uno Energy S.r.l. and C&C Castelvetere S.r.l..

## GG. AMORTIZATION AND DEPRECIATION

| AMORTIZATION AND DEPRECIATION (figures in thousands of Euro) | 01.01.2024 06.30.2024 | 01.01.2023 06.30.2023 |
|---|---|---|
| Depreciation of tangible assets | 507 | 377 |
| Amortization of intangible assets | 312 | 366 |
| Total | 818 | 743 |

Amortization and depreciation for the period amounted to Euro 818 thousand (Euro 743 thousand at June 30, 2023).

Depreciation of tangible assets mainly includes (i) the depreciation of machinery and equipment for Euro 198 thousand, especially at PLC Service S.r.l., and (ii) the impact of the application of IFRS 16 for Euro 222 thousand. Amortization of intangible assets mainly includes: (i) amortization of the Project P.O.N. MISE M4.0 for Euro 174 thousand and (ii) amortization of the new Group ERP for Euro 133 thousand.

## HH. WRITE-DOWNS

The amount of write-downs, equal to Euro 39 thousand (at June 30, 2023, no write-downs had been made), relates to the write-down of the Goodwill, present in the consolidated financial statements of the company MSD Service S.r.l.; the directors, considering the company’s liquidation, deemed it appropriate to proceed with the write-down of the Goodwill in its entirety.

## II. FINANCIAL INCOME

Financial income amounted to Euro 44 thousand at June 30, 2024 (Euro 91 thousand at June 30, 2023) and referred for Euro 28 thousand to income generated by hedging derivatives on PLC S.p.A. and PLC System S.r.l. loans and for the remainder to interest income accrued on the current accounts of the Group companies.

## JJ. FINANCIAL EXPENSES

Financial expenses amounted to Euro 258 thousand at June 30, 2024 (Euro 272 thousand at June 30, 2023) and mainly refer for Euro 211 thousand to interest expense on existing loans.

## KK. INCOME TAXES

| INCOME TAXES<br>(figures in thousands of Euro) | 01.01.2024<br>30.06.2024 | 01.01.2023<br>30.06.2023 |
|---|---|---|
| Current income taxes | (1,327) | (153) |
| Deferred income taxes | 26 | 37 |
| **Total** | **(1,301)** | **(116)** |

The balance of the tax item, negative for Euro 1,301 thousand at June 30, 2024 (negative for Euro 116 thousand at June 30, 2023), is composed: (i) Euro 1,327 thousand of current taxes and (ii) Euro 26 thousand of the net positive balance of deferred tax assets and liabilities.

## LL. COMPONENTS OF COMPREHENSIVE INCOME STATEMENT

The components of the comprehensive income statement not classifiable to the income statement relate to the effect of the actuarial calculation on the Employee Severance Indemnity in accordance with IAS 19, amounting to Euro 161 thousand including the related tax effect of Euro 62 thousand.

## MM. RESULT FOR THE PERIOD OF DISCONTINUED OPERATIONS

This refers to the result for the period of Tirreno S.r.l. and the impact of the sale of the Schmack perimeter (Schmack Biogas S.r.l. and its subsidiaries/investees) treated as discontinued operations in accordance with IFRS 5.

| Income statement - "Discontinued Operations" (figures in thousands of Euro) | 01.01.2024 06.30.2024 | *of which Schmack perimeter* | *of which Tirreno S.r.l.* |
|---|---|---|---|
| Total revenues | - | | - |
| Operating costs | (269) | (261) | (8) |
| GROSS OPERATING MARGIN | (269) | (261) | (8) |
| Amortization, depreciation and write-downs | - | | - |
| EBIT | (269) | (261) | (8) |
| Net financial income (expenses) | - | | - |
| Income from (Expenses on) equity investments | 6,703 | 6,703 | - |
| Income taxes | (77) | (77) | - |
| Profit (loss) from disposal | 362 | 362 | - |
| Profit (loss) for the period | 6,719 | 6,726 | (8) |

| Income statement - "Discontinued Operations" (figures in thousands of Euro) | 01.01.2023 06.30.2023 | *of which Schmack perimeter* | *of which Tirreno S.r.l.* | *of which Pangreen Moncambique LTD* | *of which Monsson Perimeter* | *of which Idroelettrica 2014 S.r.l. Unipersonale* |
|---|---|---|---|---|---|---|
| Total revenues | 5,979 | 4,126 | - | - | *1,853* | - |
| Operating costs | (6,482) | (4,268) | (4) | (20) | *(2,174)* | *(15)* |
| GROSS OPERATING MARGIN | (502) | (142) | (4) | (20) | (321) | (15) |
| Amortization, depreciation and write-downs | (1,020) | (533) | - | - | *(121)* | *(367)* |
| EBIT | (1,522) | (675) | (4) | (20) | (442) | (382) |
| Net financial income (expenses) | 44 | 6 | - | - | *38* | - |
| Income from (Expenses on) equity investments | (72) | (21) | - | - | (51) | - |
| Income taxes | (189) | 7 | - | - | - | (197) |
| Profit (loss) from disposal | 68 | - | - | - | 68 | - |
| Profit (loss) for the period | (1,672) | (683) | (4) | (20) | (387) | (579) |

| Financial position statement - "Discontinued Operations" (figures in thousands of Euro) | Tirreno S.r.l. 06.30.2024 |
|---|---|
| Intangible assets | - |
| Tangible assets | 222 |
| Tax receivables | 12 |
| Inventories | - |
| Trade receivables and other receivables | 9 |
| Cash | 1 |
| Assets held for sale | 244 |
| Trade payables and other payables | 32 |
| Provisions for risks and charges | 50 |
| Deferred tax liabilities | - |
| Financial liabilities | - |
| Liabilities held for sale | 82 |

| Cash Flow "Discontinued Operations" thousands of Euro | Tirreno S.r.l. 06.30.2024 |
|---|---|
| Cash flow from operating activities | (1) |
| Cash flow from investing activities | - |
| Cash flow from financing activities | - |
| Net change in cash and cash equivalents | (1) |

## NN. NOTES TO THE CASH FLOW STATEMENT

In the first half of 2024, net cash absorption amounted to Euro 1,141 thousand, broken down as follows: (i) cash absorption of Euro 2,087 from operating activities; (ii) cash generation of Euro 5,651 from investment/disinvestment activities; (iii) cash absorption of Euro 4,705 from financing activities (including dividends paid).

The liquidity absorbed by current operations in the period is mainly attributable to the realignment of net working capital, impacted at December 31, 2023 by certain advances of significant value relating to new orders acquired, especially the revamping/repowering orders of PLC Service S.r.l..

Investment activities from discontinued operations generated cash for Euro 6,303 thousand related to the sale of the investment held in Schmack Biogas S.r.l.; on the other hand, core operations absorbed financial resources for Euro 875 thousand attributable to investments in tangible assets (such as the purchase of machinery and equipment and the impact tied to the rights of use for the lease of the car and vehicle fleet) and intangible assets (such as improvements made to the management software, costs related to the MAIA project underway, and costs incurred for authorization development activities). The decreases refer to the reclassification of Tirreno S.r.l. to discontinued operations, in accordance with IFRS 5.

Cash absorption related to financing activities was instead due to (i) repayments made in accordance with the amortization schedules of bank loans in the amount of Euro 3,270 thousand and (ii) the distribution of dividends in the amount of Euro 1,817 thousand in May.

## COMMITMENTS AND GUARANTEES

*PLC S.p.A.*

- surety issued by PLC System S.r.l. in the interest of PLC S.p.A. in favor of Banca Nazionale del Lavoro to guarantee the loan granted for Euro 5,000 thousand.

*PLC SYSTEM S.r.l.*

- guarantee issued by Medio Credito Centrale in the interest of PLC System S.r.l. in favor of BPER Banca to secure the loan granted of Euro 844 thousand;
- sureties issued by Banco BPM in favor of domestic customers for Euro 2,308 thousand;
- sureties issued by Credito Emiliano in favor of domestic customers for Euro 113 thousand;
- surety issued by PLC S.p.A. in the interest of PLC System S.r.l. in favor of Banco BPM for Euro 3,321 thousand;
- bank sureties issued by BNL in favor of domestic customers for a total of Euro 1,407 thousand;
- insurance sureties issued by Sace BT, Generali, Reale Mutua and Axa in favor of domestic customers for a total of Euro 8,481 thousand;

- surety issued by PLC S.p.A. in the interest of PLC System S.r.l. in favor of Banca Nazionale del Lavoro to guarantee the bank credit granted for Euro 2,450 thousand;
- surety issued by PLC S.p.A. in the interest of PLC System S.r.l. in favor of Banca Unicredit for Euro 1,690 thousand;
- corporate guarantee issued by PLC S.p.A. in the interest of PLC System in favor of Wind Energy Racalmuto S.r.l. of Euro 4,950 thousand;
- corporate guarantee issued by PLC S.p.A. in the interest of PLC System in favor of Wind Energy Piano di Nicola S.r.l. of Euro 500 thousand.

*PLC SERVICE S.r.l.*

- bank surety issued by Unicredit S.p.A. in favor of the Ministry of Economic Development as part of the PON MISE M4.0 project for Euro 252 thousand;
- bank sureties issued by Banca Nazionale del Lavoro S.p.A. in favor of domestic customers for a total of Euro 40 thousand;
- insurance sureties issued by Axa, Revo, Sace BT, Allianz, Generali and Reale Mutua in favor of domestic customers for Euro 3,104 thousand;
- first mortgage on the property located in Acerra - Pantano district, for Euro 2,886 thousand to guarantee the loan granted by Banca Nazionale del Lavoro S.p.A.;
- patronage letters issued by PLC S.p.A. in favor of Unicredit S.p.A. for a total of Euro 390 thousand;
- guarantee issued by Medio Credito Centrale in the interest of PLC Service S.r.l. in favor of Banca Nazionale del Lavoro to guarantee the loan granted for Euro 288 thousand;
- guarantee issued by SACE S.p.A. in the interest of PLC Service S.r.l. in favor of Banca Nazionale del Lavoro to guarantee the loan granted for Euro 200 thousand;
- surety issued by PLC S.p.A. in the interest of PLC Service S.r.l. in favor of Credito Emiliano for Euro 350 thousand;
- bank sureties issued by Monte dei Paschi di Siena S.p.A. in favor of domestic customers for a total of Euro 51 thousand.

*PLC SERVICE WIND S.r.l.*

- surety issued by PLC Service S.r.l. on behalf of PLC Service Wind S.r.l. in favor of Unicredit S.p.A. to guarantee the credit line granted of Euro 325 thousand;
- bank surety issued by Unicredit S.p.A. in favor of Alpiq for Euro 200 thousand;
- corporate guarantee issued by PLC S.p.A. in the interest of PLC Service Wind S.r.l. in favor of Arval Service Lease Italia S.p.A. for a total of Euro 600 thousand;

- surety issued by PLC S.p.A. in the interest of PLC Wind S.r.l. in favor of Banca Unicredit for Euro 260 thousand.

## SEGMENT REPORTING

An operating segment is a component of an entity that undertakes business activities that generate revenues and expenses (including revenues and expenses from transactions with other segments of the same entity), whose operating results are periodically reviewed at the Company's chief operating decision making level for the purpose of making decisions about resources to be allocated to the segment, assessing results and for which separate financial statements information is available.

The following operating segments have been identified in line with the activities carried out by the Group:

Engineering & Construction Segment: which includes PLC System S.r.l.;

Development Segment: which includes PLC Power S.r.l. and its subsidiaries/investees;

Services Segment: which includes PLC Service S.r.l. and PLC Service Wind S.r.l.;

Holding Segment: which incorporates the parent company PLC S.p.A.

Dispatching Services Segment (decommissioned): which includes MSD Service S.r.l.

It should be noted that, although five operating segments have been identified, from an accounting point of view the segments "Engineering & Construction" and 'Development' are treated as a single segment, named "Construction", due to their strong correlation.

| FINANCIAL POSITION STATEMENT (figures in thousands of Euro) | Construction | Services | Holding | Dispatching | 30.06.2024 |
|---|---|---|---|---|---|
| **Non-current assets** | | | | | |
| Tangible assets | 924 | 5,468 | 267 | - | 6,659 |
| Goodwill | - | - | 4,711 | - | 4,711 |
| Other intangible assets | 1,635 | 1,523 | 907 | - | 4,065 |
| Equity investments accounted for using the equity method | - | - | - | - | - |
| Equity investments in other companies | 11 | - | - | - | 11 |
| Deferred tax assets | 110 | 3 | 347 | - | 460 |
| Receivables and other non-current assets | 1,038 | 92 | - | - | 1,130 |
| Other non-current financial assets | - | - | - | - | - |
| Non-current derivative instruments | 33 | - | - | - | 33 |
| **Total non-current assets** | **3,751** | **7,086** | **6,232** | **-** | **17,069** |
| **Current assets** | | | | | |
| Inventories | (2,901) | 9,687 | - | - | 6,786 |
| Contract assets | 9,607 | - | - | - | 9,607 |
| Trade receivables | 10,769 | 7,515 | 153 | - | 18,437 |
| Financial receivables | 5 | - | 1,085 | - | 1,090 |
| Other receivables | 4,653 | 1,913 | 235 | 59 | 6,860 |
| Cash and cash equivalents | 4,163 | 3,181 | 1,474 | 3 | 8,821 |
| Other current financial assets | - | - | - | - | - |
| Current derivative instruments | - | - | - | - | - |
| **Total current assets** | **26,296** | **22,296** | **2,947** | **62** | **51,601** |
| **Assets held for sale / disposal** | 244 | - | - | - | 244 |
| **TOTAL ASSETS** | **30,291** | **29,382** | **9,179** | **62** | **68,914** |

| FINANCIAL POSITION STATEMENT (figures in thousands of Euro) | Construction | Services | Holding | Dispatching | 30.06.2024 |
|---|---|---|---|---|---|
| **TOTAL SHAREHOLDERS' EQUITY** | **2,222** | **10,320** | **6,996** | **59** | **19,597** |
| **Non-current liabilities** | | | | | |
| Non-current financial liabilities | 1,014 | 1,613 | 82 | - | 2,709 |
| Provisions for non-current risks and charges | 500 | 125 | - | - | 625 |
| Employee severance indemnity | 632 | 1,251 | 529 | - | 2,412 |
| Deferred tax liabilities and other non-current taxes | 235 | (6) | - | - | 229 |
| Payables and other non-current liabilities | - | - | - | - | - |
| Non-current derivative instruments | - | - | - | - | - |
| **Total non-current liabilities** | **2,381** | **2,983** | **611** | **-** | **5,975** |
| **Current liabilities** | | | | | |
| Current financial liabilities | 1,213 | 1,053 | 826 | - | 3,092 |
| Provisions for current risks and charges | - | 45 | - | - | 45 |
| Trade payables | 12,538 | 10,205 | 484 | 3 | 23,230 |
| Contract liabilities | 10,212 | 173 | - | - | 10,385 |
| Other payables | 1,643 | 4,603 | 262 | - | 6,508 |
| Current derivative instruments | - | - | - | - | - |
| **Total current liabilities** | **25,606** | **16,079** | **1,572** | **3** | **43,260** |
| **Liabilities held for sale / disposal** | 82 | - | - | - | 82 |
| **TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES** | **30,291** | **29,382** | **9,179** | **62** | **68,914** |

| FINANCIAL POSITION STATEMENT (figures in thousands of Euro) | Construction | Services | Holding | Dispatching | 31.12.2023 |
|---|---|---|---|---|---|
| Non-current assets | | | | | |
| Tangible assets | 980 | 5,345 | 213 | - | 6,538 |
| Goodwill | - | - | 4,711 | 39 | 4,750 |
| Other intangible assets | 1,479 | 1,577 | 746 | - | 3,802 |
| Equity investments accounted for using the equity method | - | - | - | - | - |
| Equity investments in other companies | 11 | - | - | - | 11 |
| Deferred tax assets | 131 | 7 | 1,264 | - | 1,402 |
| Receivables and other non-current assets | 978 | 205 | 50 | - | 1,233 |
| Other non-current financial assets | - | - | - | - | - |
| Non-current derivative instruments | 52 | - | - | - | 52 |
| Total non-current assets | 3,631 | 7,134 | 6,984 | 39 | 17,788 |
| Current assets | | | | | |
| Inventories | 851 | 5,365 | - | - | 6,216 |
| Contract assets | 7,174 | - | - | - | 7,174 |
| Trade receivables | 8,767 | 10,138 | 44 | 270 | 19,219 |
| Financial receivables | 5 | - | 13 | - | 18 |
| Other receivables | 3,985 | 2,173 | 217 | 60 | 6,435 |
| Cash and cash equivalents | 5,306 | 3,803 | 436 | 416 | 9,961 |
| Other current financial assets | - | - | - | - | - |
| Current derivative instruments | - | - | - | - | - |
| Total current assets | 26,088 | 21,479 | 710 | 746 | 49,023 |
| Assets held for sale / disposal | 139 | 13,922 | 282 | - | 14,343 |
| TOTAL ASSETS | 29,858 | 42,535 | 7,976 | 785 | 81,154 |

| FINANCIAL POSITION STATEMENT (figures in thousands of Euro) | Construction | Services | Holding | Dispatching | 31.12.2023 |
|---|---|---|---|---|---|
| TOTAL SHAREHOLDERS' EQUITY | (969) | 11,104 | 2,404 | 80 | 12,619 |
| Non-current liabilities | | | | | |
| Non-current financial liabilities | 1,554 | 1,628 | 363 | - | 3,545 |
| Provisions for non-current risks and charges | 550 | 125 | - | - | 675 |
| Employee severance indemnity | 644 | 1,274 | 494 | - | 2,412 |
| Deferred tax liabilities and other non-current taxes | 234 | 48 | (71) | - | 211 |
| Payables and other non-current liabilities | - | - | - | - | - |
| Non-current derivative instruments | - | - | - | - | - |
| Total non-current liabilities | 2,982 | 3,075 | 786 | - | 6,843 |
| Current liabilities | | | | | |
| Current financial liabilities | 2,156 | 1,256 | 1,733 | - | 5,145 |
| Provisions for current risks and charges | - | 45 | - | - | 45 |
| Trade payables | 15,862 | 5,826 | 462 | 704 | 22,854 |
| Contract liabilities | 9,189 | 7,905 | - | - | 17,094 |
| Other payables | 638 | 1,577 | 1,818 | 1 | 4,034 |
| Current derivative instruments | - | - | - | - | - |
| Total current liabilities | 27,845 | 16,609 | 4,013 | 705 | 49,172 |
| Liabilities held for sale / disposal | - | 11,747 | 773 | - | 12,520 |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | 29,858 | 42,535 | 7,976 | 785 | 81,154 |

| RECLASSIFIED COMPREHENSIVE INCOME STATEMENT (figures in thousands of Euro) | Construction | Services | Holding | Dispatching | 01.01.2024 30.06.2024 |
|---|---|---|---|---|---|
| Revenues from core business | 16,959 | 26,698 | - | - | 43,657 |
| Other operating revenues | 53 | 415 | 33 | - | 501 |
| Total revenues | 17,012 | 27,113 | 33 | - | 44,158 |
| Operating costs | (13,539) | (21,548) | (2,990) | (14) | (38,091) |
| Other operating costs | (1,153) | (720) | (96) | (1) | (1,970) |
| GROSS OPERATING MARGIN (EBITDA) | 2,320 | 4,845 | (3,053) | (15) | 4,097 |
| *EBITDA %* | *14%* | *18%* | *n.a.* | *n.a.* | *9%* |
| Amortization, depreciation and write-downs | (63) | (567) | (188) | (39) | (857) |
| OPERATING RESULT (EBIT) | 2,257 | 4,278 | (3,241) | (54) | 3,240 |
| Net financial income (expenses) | (112) | (53) | (49) | - | (214) |
| Income from (Expenses on) equity investments | - | - | - | - | - |
| Income taxes | (705) | (1,017) | 421 | - | (1,301) |
| Profit (loss) for the period from continuing operations | 1,440 | 3,208 | (2,869) | (54) | 1,725 |
| Profit (loss) for the period from discontinued operations (*) | (8) | - | 6,726 | - | 6,719 |
| PROFIT (LOSS) FOR THE PERIOD | 1,432 | 3,208 | 3,857 | (54) | 8,444 |
| Total other comprehensive income statement components | 64 | 74 | 23 | | 161 |
| COMPREHENSIVE INCOME STATEMENT | 1,496 | 3,282 | 3,880 | (54) | 8,605 |

| RECLASSIFIED COMPREHENSIVE INCOME STATEMENT (figures in thousands of Euro) | Construction | Services | Holding | Dispatching | 01.01.2023 30.06.2023 |
|---|---|---|---|---|---|
| Revenues from core business | 16,045 | 9,867 | - | 2,458 | 28,370 |
| Other operating revenues | - | 250 | 283 | - | 533 |
| Total revenues | 16,045 | 10,117 | 283 | 2,458 | 28,903 |
| Operating costs | (14,396) | (7,576) | (2,645) | (2,429) | (27,046) |
| Other operating costs | (376) | (502) | (92) | (3) | (972) |
| GROSS OPERATING MARGIN (EBITDA) | 1,273 | 2,040 | (2,454) | 26 | 885 |
| *EBITDA %* | *8%* | *20%* | *n.a.* | *1%* | *3%* |
| Amortization, depreciation and write-downs | (529) | (49) | (166) | - | (743) |
| OPERATING RESULT (EBIT) | 745 | 1,991 | (2,620) | 26 | 142 |
| Net financial income (expenses) | (45) | (48) | (88) | - | (181) |
| Income from (Expenses on) equity investments | - | - | - | - | - |
| Income taxes | (225) | (238) | 347 | - | (116) |
| Profit (loss) for the period from continuing operations | 475 | 1,706 | (2,362) | 26 | (155) |
| Profit (loss) for the period from discontinued operations | (394) | (1,279) | - | - | (1,672) |
| PROFIT (LOSS) FOR THE PERIOD | 81 | 427 | (2,362) | 26 | (1,827) |
| Total other comprehensive income statement components | (18) | (14) | (37) | | (69) |
| COMPREHENSIVE INCOME STATEMENT | 63 | 413 | (2,399) | 26 | (1,896) |

### 3.2.4 TRANSACTIONS WITH RELATED PARTIES

With regard to the requirements of the international accounting standard IAS 24 (revised) on "Related party disclosures" and the additional information required by Consob communication no. 6064293 of July 28, 2006, the following tables summarize the Group's economic and financial transactions with related parties.

*Revenues and costs from related parties*

| REVENUES AND COSTS - RELATED PARTIES (figures in thousands of Euro) | Revenues | | | Costs | | | |
|---|---|---|---|---|---|---|---|
| | Revenues | Research and development | Financial income | Raw materials | Services | Payroll and other costs | Financial expenses |
| Antonio Carrano | - | - | - | - | - | - | - |
| Biomethane Invest S.r.l. | - | - | - | - | - | - | - |
| Idea S.r.l. | - | - | - | - | - | - | - |
| Massimo Rossetto | - | - | - | - | - | - | - |
| Nicolò Cariboni | - | - | - | - | - | - | - |
| **Total** | - | - | - | - | - | - | - |
| *% impact on financial statements item* | *0%* | *n.a.* | *0%* | *n.a.* | *0%* | *n.a.* | *0%* |

*Receivables from and payables to related parties*

| RECEIVABLES FROM AND PAYABLES TO RELATED PARTIES (in thousands of Euro) | Receivables | | | Payables | | |
|---|---|---|---|---|---|---|
| | Trade receivables | Financial receivables | Other receivables | Trade payables | Financial payables | Other payables |
| Antonio Carrano | - | - | - | - | - | - |
| Biomethane Invest S.r.l. | - | - | - | - | - | - |
| Dragos Blanaru | - | - | - | - | - | - |
| Idea S.r.l. | - | 5 | - | - | - | - |
| Massimo Rossetto | - | - | - | - | - | - |
| Nicolò Cariboni | - | - | - | - | - | - |
| Sicily Biomethan S.r.l. | - | - | - | - | - | - |
| **Total** | - | *5* | - | - | - | - |
| *% impact on financial statements item* | *0.0%* | *0.5%* | *0.0%* | *0.0%* | *0.0%* | *0.0%* |

### 3.2.5 FINANCIAL RISK MANAGEMENT POLICY

The financial risks to which the PLC Group is exposed are as follows: (i) liquidity risk stemming from the possibility of not being able to source the necessary funds to meet its obligations, (ii) credit risk arising from the possibility of default by a counterparty, (iii) interest rate risk arising from financial exposure.

Financial risk management is an integral part of the management of the Group's activities and is carried out centrally by the Parent Company, which defines the risk categories and, for each type of transaction and/or instrument, indicates the methods and operating limits.

*Types of financial instruments and fair value hierarchy*

Below is a breakdown of financial assets and liabilities, as required by IFRS 7, as part of the categories envisaged by IFRS 9, with an indication of the assessment criteria adopted.

| FINANCIAL ASSETS AND LIABILITIES - IFRS 9 (figures in thousands of Euro) | Measurement criteria adopted | | | | 30.06.2024 | 31.12.2023 |
|---|---|---|---|---|---|---|
| | Fair value | Fair Value Hierarchy | Measurement at cost | Amortized cost | Carrying amount | Carrying amount |
| Loans and receivables | 1,085 | Level 3 | - | 5 | 1,090 | 18 |
| Cash and cash equivalents | 8,821 | Level 1 | - | - | 8,821 | 9,961 |
| Trade receivables | - | - | - | 18,437 | 18,437 | 19,219 |
| Other current receivables | - | - | - | 6,860 | 6,860 | 6,435 |
| Other non-current receivables | - | - | - | 1,130 | 1,130 | 1,233 |
| Investments in other companies measured at fair value | - | - | - | - | - | - |
| Investments in other companies measured at cost | - | - | 11 | - | 11 | 11 |
| Other financial assets | - | - | - | - | - | - |
| TOTAL FINANCIAL ASSETS | 9,906 | - | 11 | 26,432 | 36,349 | 36,877 |
| Trade payables and contractual liabilities | - | - | - | 33,615 | 33,615 | 39,948 |
| Other current payables | - | - | - | 6,508 | 6,508 | 4,034 |
| Provisions for current risks and charges | | | | 45 | 45 | 45 |
| Current financial payables | - | - | - | 3,092 | 3,092 | 5,145 |
| Non-current financial payables | - | - | - | 2,709 | 2,709 | 3,545 |
| TOTAL FINANCIAL LIABILITIES | - | - | - | 45,969 | 45,969 | 52,717 |

With regard to cash and cash equivalents, trade receivables and payables, other current and non-current receivables and current payables, the amortized cost is a reasonable approximation of fair value.

Financial assets and liabilities due within one year have not been measured at fair value because their amortized cost approximates fair value.

Financial assets and liabilities due after one financial year are assessed using the amortized cost method.

With regard to financial instruments measured at fair value, the classification of the same is reported on the basis of the hierarchy of levels that reflects the significance of the inputs used in determining fair value, as required by IFRS 13. The following levels can be distinguished:

- level 1 - listed (unadjusted) prices in active markets for identical assets or liabilities available to the entity at the measurement date;
- level 2 - inputs other than the listed prices referred to in the previous point, which are observable on the market directly (as in the case of prices) or indirectly (i.e. derived from prices);
- level 3 - inputs that are not based on observable market data.

*Liquidity Risk*

The evolution of the Group's net working capital and financial requirements is influenced by compliance with the estimated invoicing times for work in progress (with reference to the Engineering & Construction Segment) and services (with reference to the Services Segment, in particular for revamping / repowering activities) and collection of the related receivables. Consequently, although the Group has put in place measures to ensure that adequate levels of working capital and liquidity are maintained, any delays in the progress of projects and/or in the definition of positions being finalized with clients could have an impact on the capacity and/or timing of cash flow generation.

Liquidity risk represents the risk that, due to the inability to raise new funds or liquidate assets on the market, the Group will not be able to meet its payment obligations, resulting in an impact on the economic result in the event that the Group is forced to incur additional costs to meet its commitments or, as an extreme consequence, a situation of insolvency that puts the Group's business at risk. The Group's risk management objective is to put in place a financial structure that, in line with the business objectives and defined limits, guarantees an adequate level of liquidity of credit facilities and credit lines for the entire Group.

The policies applied were aimed at guaranteeing sufficient financial resources to cover short-term commitments and maturing bonds, as well as to ensure the availability of an adequate level of operational flexibility for the Group development programs, pursuing the maintenance of balance in terms of duration and composition of debt and an adequate structure of bank credit lines. At June 30, 2024, the Group has a balanced short-term net financial debt, and has granted and unused credit lines of approximately Euro 2,810 thousand (out of Euro 2,950 thousand of granted credit lines), which may be used in the event of liquidity needs. At this stage, the PLC Group has not been exposed to an increase in liquidity risk due to the ongoing conflict between Russia and Ukraine, even though, given the long-term uncertainty, a potential worsening of financial stress scenarios cannot be ruled out, resulting from a deterioration of liquidity in general, delays in payments from customers and the slowdown of operational activities on projects with delays in invoicing customers.

*Credit Risk*

Credit risk is the risk that a counterparty will fail to meet its obligations in relation to a financial instrument or contract, thereby generating a financial loss.

Credit risk is generally mitigated by the fact that the Group carries out a prior assessment of counterparty solvency risk on the basis of procedures and that, generally, receivables of a significant amount are due from known and reliable counterparties. Despite the uncertain market context, credit risk has currently remained contained; however, it cannot be ruled out that some customers may delay or fail to honour payments under the agreed terms and conditions, with a consequent increase in credit risk. Where there are changes in the creditworthiness of a counterparty, the value of the credit is adjusted accordingly to bring it in line with the actual probability of recovery. At June 30, 2024, the maximum exposure to credit risk was equal to the carrying amount of the receivables in the financial statements.

*Market risk*

Market risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate as a result of changes in market prices, due to fluctuations in exchange rates, interest rates or the prices of equity instruments. The objective of market risk management is to manage and control the Group's exposure to such risk within acceptable levels, while optimizing the return on investments.

*Exchange rate risk*

During the first half of 2024, the Group carried out its activities 100% in the Italian market. The Group does not currently have any hedging contracts in place to manage exchange rate risks. The exchange rate risk to which the Group is exposed is, to date, very low.

*Interest rate risk*

The Group's exposure to risk deriving from changes in interest rates originates from floating rate financial payables that expose the Group to a cash flow risk linked to the volatility of the Euribor curve. Generally, the goal of management is to limit the fluctuation of the financial expenses that have an impact on the economic result, limiting the risk of a potential increase in interest rates, eventually through the use of derivative contracts for hedging purposes. At June 30, 2024, only one Interest Rate Option Cap (IRO Cap) contract was outstanding on the loan with BPER Banca S.p.A.

*Capital management*

The objectives identified by the Group in the management of capital are the creation of value for all shareholders, the safeguarding of business continuity and support for the development of the Group, to which management is heavily committed.

## 3.3 SIGNIFICANT EVENTS DURING THE PERIOD

In the first half of 2024, the Group - consistently with the provisions of the 2023-2027 Business Plan approved by the Board of Directors in December 2022 - pursued strategic initiatives of organic growth, strengthening the operating model (also through the disinvestment of non-core equity investments) and making technical investments, achieving an overall increase in volumes with solidly positive operating margins in the period of reference, higher than the same period of the previous year.

As already described in the section "Analysis of the operating performance and outlook" of the Management Report, to which reference should be made for further details, the economic result for the period is partly influenced by the accounting effects of extraordinary transactions, carried out both in the period in question and in previous ones; in particular, the following impacts are highlighted:

- about negative Euro 810 thousand, related to the partial waiver of receivables claimed in connection with the sale of 2 wind power projects in 2020 and related to some price adjustments valued, consistently with the sale contract, on the last payment tranche (balance);
- about Euro 6,726 thousand positive related to the total sale - finalized on March 7, 2024 - of the investment held by PLC S.p.A. in Schmack Biogas S.r.l.

In line with the objectives of the 2023 - 2027 Strategic Plan, during the first half of 2024, as anticipated in the Management Report, to which reference should be made for further details in the section "Significant events occurring after June 30, 2024", the shareholders began the process of liquidation of the company MSD Service S.r.l. and undertook the negotiations that led, during the first part of the second half of 2024, to the sale by PLC Power of its stake in Tirreno S.r.l. to the minority shareholder.

Notwithstanding this positive trend, also in consideration of the particularly unstable global geopolitical context - characterized, on the one hand, by the conflicts between Russia and Ukraine and between Israel and Palestine and, on the other, by instability in both inflation and energy carrier prices - the Directors are constantly monitoring and will monitor the evolution of the macroeconomic context and the potential impact that the context itself could have on the Group's economic-financial prospects. However, based on the forecasts for the next 12 months and the results achieved to date, it is believed that the Group has adequate financial and capital resources to continue operating as a going concern over the next 12 months.

## 3.4 CERTIFICATION OF THE CONSOLIDATED FINANCIAL STATEMENTS IN ACCORDANCE WITH ART. 154-BIS OF LEGISLATIVE DECREE NO. 58/98

The undersigned Andrea Orlando and Simone Albertazzi, the Chief Executive Officer and Financial Reporting Manager of PLC S.p.A. respectively, certify, taking into account the provisions of Article 154-bis, paragraphs 3 and 4, of Legislative Decree no. 58 of February 24, 1998:

- the adequacy in relation to the characteristics of the business and
- the effective application of the administrative and accounting procedures for the preparation of the condensed interim financial statements at June 30, 2024.

There are no significant aspects to be mentioned in this regard.

It is also certified that:

the condensed interim financial statements at June 30, 2024:

- have been prepared in accordance with the applicable international accounting standards recognized by the European Community pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of July 19, 2002;
- are consistent with the data in the accounting records and other corporate documents;
- provide a true and fair view of the financial position, results of operations and cash flows of the issuer and the group of consolidated companies.

The interim management report includes a reliable analysis of references to important events that occurred in the first six months of the financial year and their impact on the condensed interim financial statements, together with a description of the main risks and uncertainties for the remaining six months of the financial year. The interim management report also includes a reliable analysis of material information with related parties.

Acerra (NA), September 30, 2024

| The Chief Executive Officer | Financial Reporting Manager |
|---|---|
| *signed Andrea Orlando* | *signed Simone Albertazzi* |

## 3.5 INDEPENDENT AUDITORS' REPORT

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# REVIEW REPORT ON CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS AS OF 30 JUNE 2024

**PLCSPA**

**REVIEW REPORT ON CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS**

To the shareholders of
PLCSpA

## Foreword

We have reviewed the accompanying consolidated condensed interim financial statements of PLC SpA and its subsidiaries (the PLC Group) as of 30 June 2024, comprising the financial position statement, incarne statement, comprehensive incarne statement, changes in shareholders' equity, cash flow statement and related notes. The directors of PLC Group are responsible for the preparation of the consolidated condensed interim financial statements in accordance with the international accounting standard applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these consolidated condensed interim financial statements based on our review.

## Scope of Review

We conducted our work in accordance with the criteria for a review recommended by Consob in Resolution No. 10867 of 31 July 1997. A review of consolidated condensed interim financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than a full-scope audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not enable usto obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated condensed interim financial statements.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated condensed interim financial statements of PLC Group as of 30 June 2024 are not prepared, in all material respects, in accordance with the international accounting standard applicable to interim financial reporting (IAS 34) as adopted bythe European Union.

*PricewaterhouseCoopers SpA*

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**Other Matters**

The consolidated financial statements of PLC Group for the year ended 31 December 2023 and the consolidated condensed interim financial statements for the period ended 30 June 2023 were audited and reviewed, respectively, by other auditors, who on 8 April 2024 expressed an unmodified opinion on the consolidated financial statements, and on 29 September 2023 expressed an unmodified conclusion on the consolidated condensed interim financial statements.

Naples, 30 September 2024

PricewaterhouseCoopers SpA

*Signed by*

Carmine Elio Casalini
(Partner)

*This review report has been translated into the English language solelyfor the convenience of intemational readers. Accordingly, only the originai text in Italian language is authoritative.*