



Mediobanca
Italian Mid Cap 6th Conference

January 23rd, 2024

TESMEC

1. Tesmec Group at a glance

Solution provider in the reference markets driven by the trends of **energy, digitalization, and sustainability**

Vision

To be a **technological partner** in a changing world

Mission

To operate in the market of **infrastructure** for the transport of energy, data and material (oil and derivatives, gas, water).

Value proposition

To supply added-value **integrated solutions** for our customers

Strategy

- Innovation
- Integration
- Internationalization



TESMEC GROUP AT A GLANCE

TESMEC

Factories



Tesmec SPA
Grassobbio



Tesmec SPA
Endine



Tesmec SPA
Sirone



Tesmec Automation
Fidenza



Tesmec Automation
Padova



Tesmec Automation
Patrica

+70
YEARS
of experience

+1000
PEOPLE

10
MANUFACTURING
PLANTS



+135
COUNTRIES

75%
EXPORT



Tesmec USA
Alvarado (USA)



Marais
Durtal (FR)



Tesmec Rail
Monopoli



Tesmec Rail
Bitetto

- Stringing
- Energy Automation
- Railway
- Trencher

ENERGY - STRINGING



- Solutions for power lines construction & maintenance
- Advanced methodologies for automating jobsite
- Zero emissions machines

RAILWAY



- Catenary lines construction & maintenance
- Diagnostic vehicles and systems
- Integrated platform for safe infrastructure

ENERGY AUTOMATION



- Telecommunications solutions for HV Grids
- Grid Management: protection and metering solutions
- Advanced sensors for fault passage indication, protection and monitoring

TRENCHER



- Telecom networks, FTTH & long distance, power cable installation
- Oil & Gas, Water pipelines
- Bulk excavation, Quarries & Surfaces mining

HISTORY OF INNOVATION, INVESTMENT & DIVERSIFICATION

TESMEC



PIONEER in STRINGING solutions

TRENCHER product line development

From FAMILY Company to PUBLIC Company

Expansion strategy in the RAILWAY business

Investments & acquisitions to complete the portfolio for SMART GRIDS

Investments in R&D and DIAGNOSTICS

Strengthening the Service and Rental Business



1951-1960

Establishment of "CRF -Officina Meccanica di Precisione"
Edison patent for the new tension stringing system

1984

Establishment of Tesmec USA Inc. in Texas

2010

Entry in the Italian Stock Exchange (STAR segment)

2012

Leasing of AMC2 S.r.l (Monopoli - Italy)

2015

Acquisition of the French Group Marais

2017

Tesmec Automation as a single Company

2018

Opening of the new Tesmec Rail s.r.l. production site (Monopoli - Italy)

2020

4Service, a Company dedicated to the rental business
Share capital increase

2021

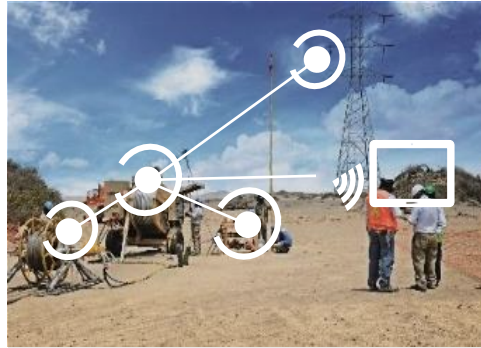
**ENERGY TRANSITION
DIGITALIZATION
SUSTAINABILITY**



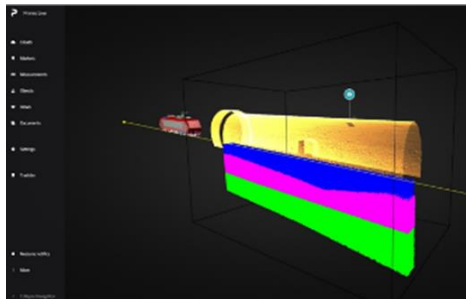
Strategic pillars:
DIGITALISATION
SUSTAINABILITY
ENERGY TRANSITION

New Business Model:
INTEGRATED SYSTEMS
DIGITAL SOLUTIONS
FULL SERVICES

Key drivers: digitalization and AI



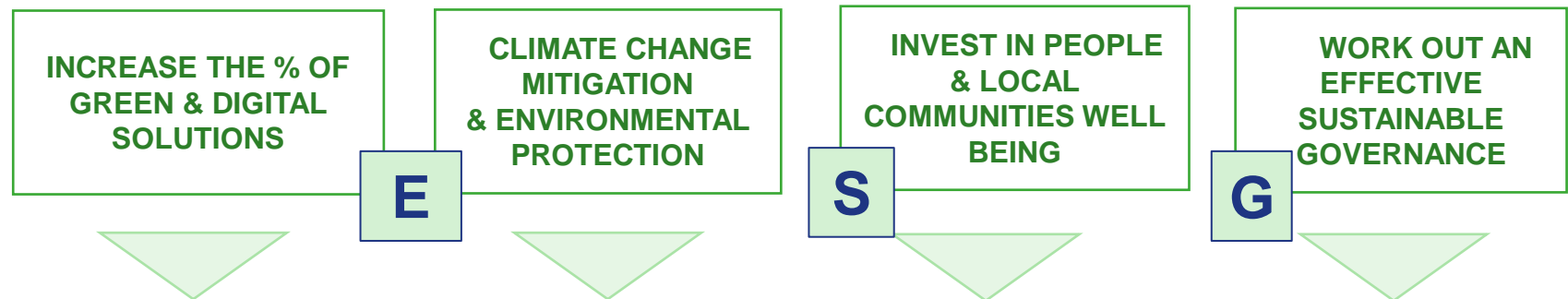
Combine operational **data** in the **cloud** and apply **advanced analytics**



Sustainable Development Goals



Strategic Guidelines



Execution Plan

Set and integrate ESG criteria in the business plan

Give priority to sustainable innovation and meet the Technical screening criteria of the EU Taxonomy

Commitment to the environmental impact of the organization targets and implement actions to reduce it

Increase engagement in sustainability practices

Follow up on the several ongoing initiatives both for employees and for stakeholders

Strengthen the organization's governance and accountability

Making every department accountable to sustainability

QUALITY



Maximize delivered and perceived quality, to guarantee the greatest customer satisfaction

HEALTH AND SAFETY



Safeguard of the health and safety for every member of staff and for the environmental heritage

ENVIRONMENT



Every activity in our plants is devoted to waste reduction, recycling, energy savings, consumption optimization and reduction of the environmental impact of our products

DIGITALIZATION



Digitalization for the predictive maintenance, data management for the highest safety standards and diagnostic of infrastructure.

CERTIFICATIONS

Tesmec S.p.A.

ISO 9001:2015
ISO 14001:2015
ISO 45001:2018

Tesmec Automation s.r.l.

ISO 9001:2015
ISO 14001:2015
ISO 45001:2018
ISO 37001:2016
ISO 14067:2018
ISO/IEC 27001:2017

Tesmec USA Inc.

ISO 9001:2015
AAR M-1003

Tesmec Rail s.r.l.

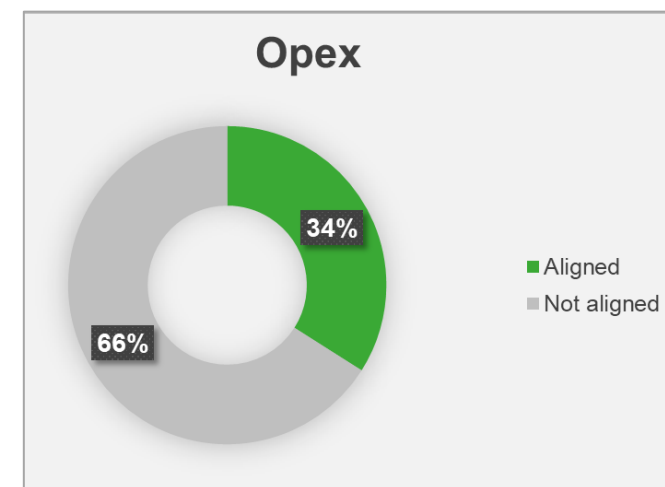
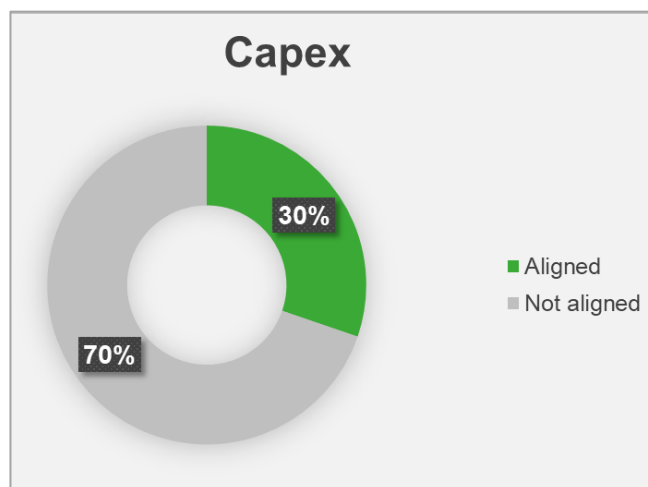
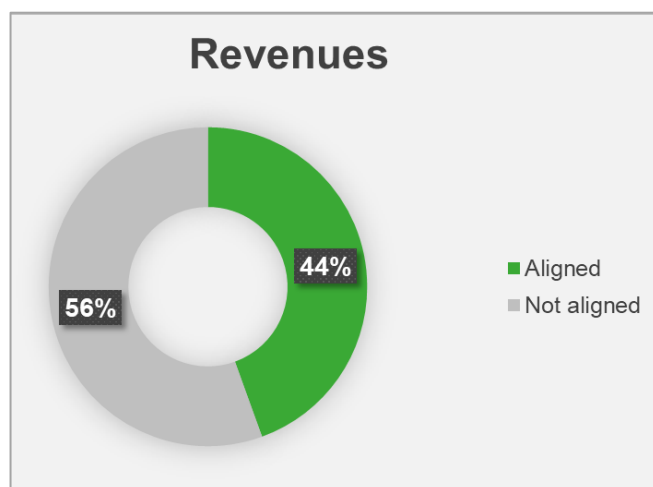
ISO 9001:2015
ISO 14001:2015
ISO 45001:2018
EN 15085-2
37001 Policy

Marais Laying New Zealand

ISO 9001:2015
ISO 14001:2015
ISO 45001:2018

TESMEC economic activities are eligible according the ANNEX I – Climate change mitigation

- 3.1 - Manufacture of renewable energy technologies
- 3.3 - Manufacture of low carbon technologies for transport
- 3.6 - Manufacture of other low carbon technologies



Strong commitment to increase the share of Aligned KPI with the strategic development in the coming years

* 2022 is the first year of application of the alignment requirement of the European Taxonomy Regulation. For this reason, the findings are based on currently available information, which may be subject to future revisions also based on the evolution of the legislation. The share of "taxonomy-aligned" Revenues, Capex and Opex in line with the provisions of Regulation (EU) 2020/852 is out of scope of the limited assurance engagement on the Consolidated Non-Financial Statements of the engaged auditor.

* In 2022 the reported aligned KPI must respect the NEW screening criteria:

- Make a substantial contribution to one or more of the taxonomy environmental objectives
- Fulfil the technical screening criteria for each economic activity
- Respect DNSH principle - do no significant harm to the remaining taxonomy objectives
- Meet minimum social safeguards

...to the environmental impact of the organization



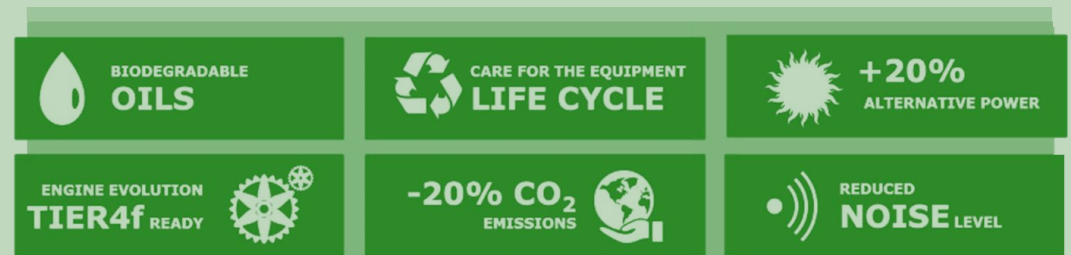
Grassobbio, Patrica and Monopoli plants are fed by solar panels



All Italian plants are certified according to ISO 9001-14001-45001







The whole production process takes care of waste and complies with recycling regulations



...to sustainable innovation (equipment and process)

2. Tesmec Business Units

-  Energy Stringing
-  Energy Automation
-  Railway
-  Trencher



**Digital & Green Solutions:
new methodologies for
construction and maintenance
of energy transport and
distribution infrastructures**

TECHNOLOGY FOR EFFICIENT STRINGING OPERATIONS

A new concept of integrated systems 4.0 for energy transport and distribution: **Simple, Safe and Reliable**

A COMPLETE PACKAGE OF SOLUTIONS

Machines, equipment and accessories specifically developed to face every jobsite conditions

CUSTOMIZED SOLUTIONS

Continuous improvement of methodologies and technologies to offer the best solution

NEW METHODOLOGIES

Continuous Linear Puller (CLP) is the first step of an R&D program for automated jobsites



ENERGY – STRINGING: Fields of application

TESMEC

- SOLUTIONS FOR POWER LINES CONSTRUCTION & MAINTENANCE
- ADVANCED METHODOLOGIES FOR AUTOMATING JOBSITE
- ZERO EMISSIONS MACHINES



ENERGY – STRINGING: Main worldwide experiences

TESMEC

Reconductoring

USA

Continuous Linear Puller
Type of line: transmission, 138kv
Capacity: 138kv
N conductors per phase: 1
Conductor type: 397acsr wrecking out, 1530 pulling in

Top efficiency

BRAZIL

500 kV line, 6 T&D lines,
5000 km long
70 sets of stringing equipment

Underground Cable Laying

USA

Full Electric Machines First Experience in Jobsite

Underground Cable Laying

UK

Romford
3 x 33 kV cable pulling

Stringing Machines 4.0

BELGIUM

4.0 Machines

ACPR Lo-Sag Nexans conductor 37 mm diameter.

Fjord crossing

NORWAY

Special machines for fjord crossing and modular machines
Voltage: 420 kV

Extreme temperature

RUSSIA

Huge crossing of Lena river
Two bundled conductors 220 kV
Extreme conditions: -50°C (-58F)

Line construction

USA

Yanbu-Madinah 380 kV line
Longest project portion: 230 km
4-500mm² AAAC conductors per phase

Helicopter stringing

CHINA

Extreme project in Zhejiang Province
Tower height: 380 m
Four bundled conductors 500 kV





RECONDUCTORING OPERATIONS

Digital Stringing Machine



Helicopter stringing

CHINA

Extreme project in Zhejiang Province

Tower height: 380 m

Four bundled conductors 500 kV



Underground Cable Laying
USA
FULL ELECTRIC MACHINE
The first experience in jobsite



Grid Reliability, Efficiency and Security: a full portfolio of power grid technologies, tailored and integrated solutions to face fast-changing grid challenges

PROTECTION & METERING SOLUTIONS FOR SMART GRID

From selectivity to reliability, ensuring **continuous operation** and increasing **grid efficiency** in compliance with **cyber-security standard requirements**

TELECOMMUNICATION SOLUTIONS FOR HV GRIDS

Performance improvement, reliable operation and enhanced management of the grid

EXCELLENCE IN SENSOR TECHNOLOGY

From fault passage indication and protection to smart metering applications with **high accuracy solutions**

FULL RANGE OF SERVICES

Tailored solutions for professional training, commissioning services and after-sales support by highly **specialized professionals**

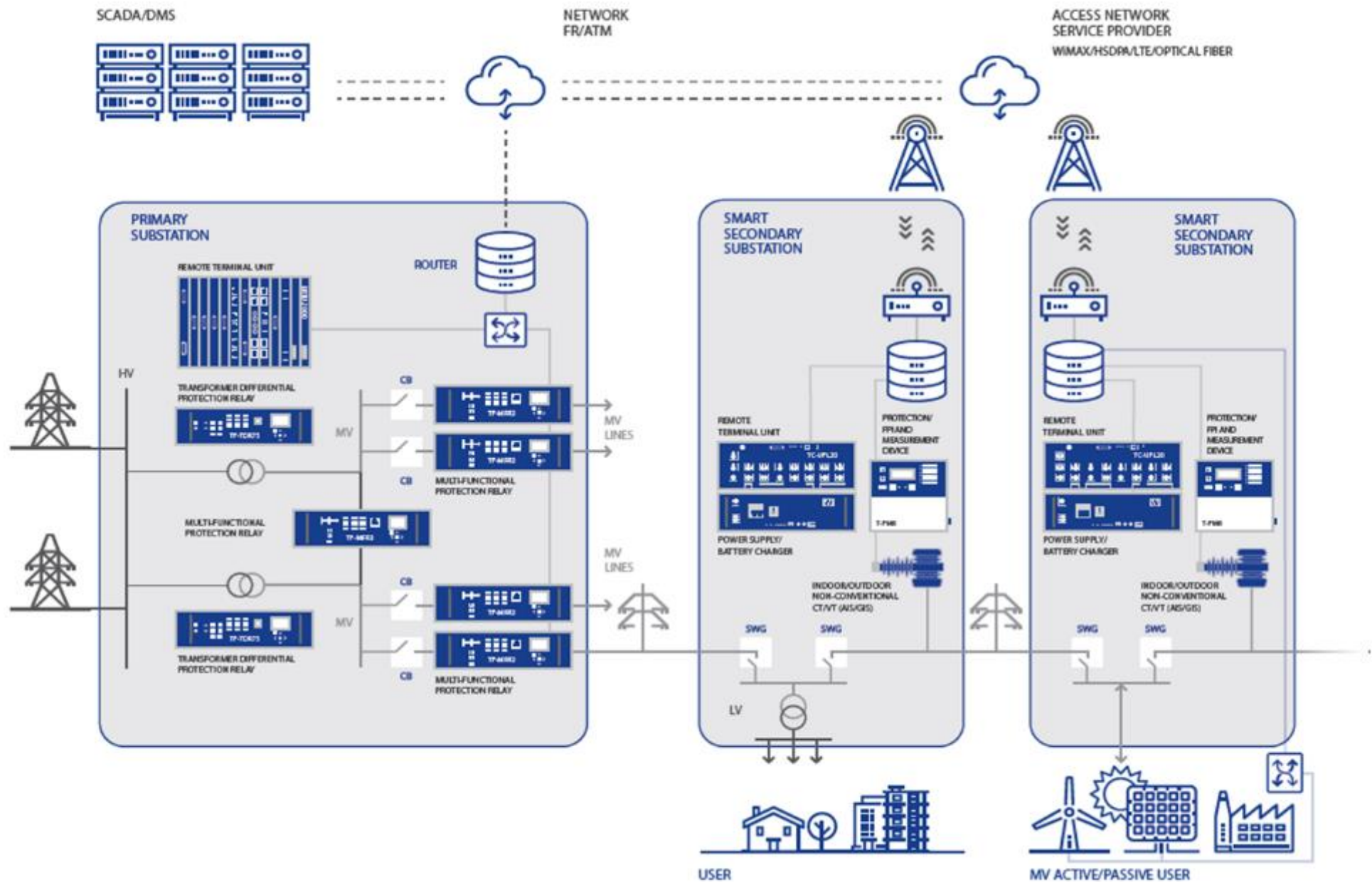


- PROTECTION & MONITORING SOLUTIONS
- REMOTE CONTROL SOLUTIONS
- SERVICE TELECOMMUNICATIONS SOLUTIONS FOR HV GRIDS
- SMART METERING SOLUTIONS



ENERGY – AUTOMATION for Smart Grid Applications

TESMEC



Telecommunication solution

ALGERIA

Remote management of HV substations and protection systems against unexpected grid faults

Fault Passage Indicator (FPI)

BRAZIL, COLOMBIA, CHILE

Fault location and Voltage supervision devices

Protection and Control solution

SPAIN, ITALY, ROMANIA

Multi-functional protection solutions with embedded measurement functions and suitable for network automation, electrical service analysis and quality monitoring

Non-Conventional sensors

ITALY

Full range of current and voltage sensors for outdoor applications and air/ gas-insulated switchgears

Smart Metering solution

RUSSIA

Metering and billing system for overhead power lines up to 10kv MV lines

Substation Automation System

ITALY

Protection and control systems for HV substations (SAS) based on IEC 61850

Internet of Things (IoT)

ITALY

IoT sensors for real-time monitoring of electrical systems

Remote control

ITALY, BRAZIL, COLOMBIA, CHILE

RTU modular solution designed for remote control of secondary MV/LV substations



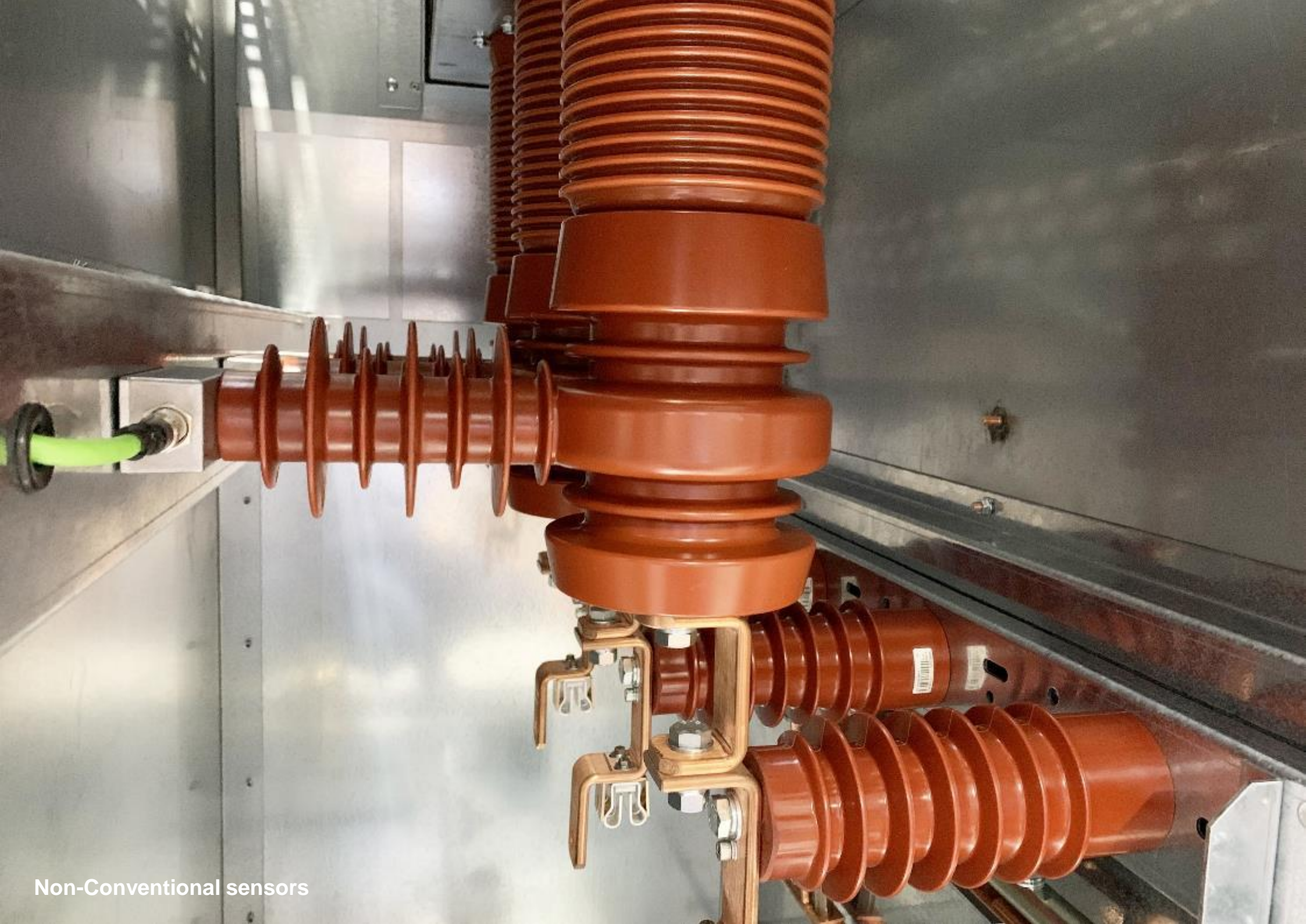
PROTECTION AND MONITORING SOLUTIONS for primary and secondary substations



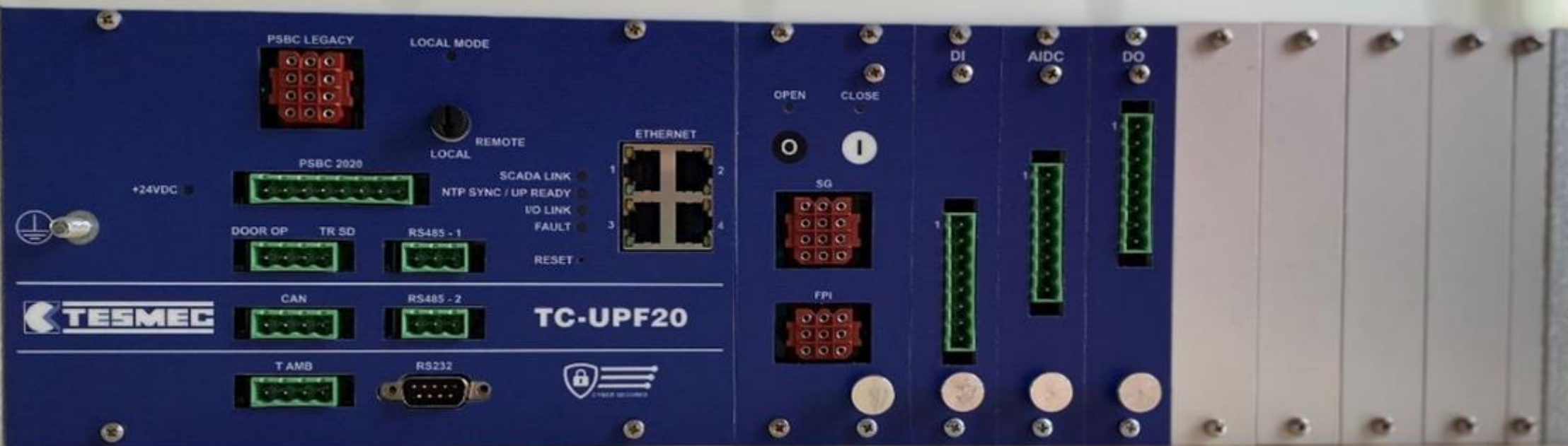
```
mirror_mod = modifier_ob.  
set mirror object to mirror.  
mirror_mod.mirror_object =  
operation == "MIRROR_X":  
mirror_mod.use_x = True  
mirror_mod.use_y = False  
mirror_mod.use_z = False  
operation == "MIRROR_Y":  
mirror_mod.use_x = False  
mirror_mod.use_y = True  
mirror_mod.use_z = False  
operation == "MIRROR_Z":  
mirror_mod.use_x = False  
mirror_mod.use_y = False  
mirror_mod.use_z = True  
  
selection at the end -add  
mirror_ob.select=1  
modifier_ob.select=1  
context.scene.objects.active  
("Selected" + str(modifier_ob.  
mirror_ob.select = 0  
bpy.context.selected_object  
data.objects[one.name].select  
print("please select exactly  
----- OPERATOR CLASSES -----  
context):  
context.active_object is not
```




Telecommunication solution



Non-Conventional sensors



Remote control



Global catenary specialist for the installation and maintenance of railway lines: solutions with integrated systems and rail vehicles for a safe, efficient and sustainable railway infrastructure.

RELIABILITY

Certified, automated and cloud connected vehicles

DIGITALIZATION

Centralized Platform for big data management

GREEN APPROACH

Design of hybrid and bimodal solutions

HIGH MOBILITY

Authorization to travel as passenger train on active lines





- CATENARY INSTALLATION & MAINTENANCE
- DIAGNOSTIC VEHICLES AND SYSTEMS
- INTEGRATED PLATFORM FOR SAFE INFRASTRUCTURE



RAILWAY: Main worldwide experience

TESMEC

Stringing & recovering wires

USA

1 Work car + 1 Reel car with 6 reels
1 Catenary maintenance vehicle
Huge, top performing units
Designed according to US Standards

Installation of the contact line & catenary maintenance

“Eagle P3 Project”

USA

1 Stringing unit & 1 Catenary maintenance vehicle
A very fast rail wire installation

Snow removal

NORWAY

3 Snow removal vehicles
Maintenance unit operative at low temperatures

RER Catenary renewal

FRANCE

9 vehicles (6 different models)

Engineered to allow a correct execution of the works of catenary replacement

Customized solutions

CZECH REP.

4 Multipurpose vehicles + 1 Stringing vehicle

Tensioning system for railway wiring operations composed by working units mounted on 4 flats, to be installed on one existing railway wagon provided by customer. Integrated recovering device.

Safety of Railway Infrastructure

ITALY

2 Diagnostic Vehicles

Stringing of 3 independent wires & recovery of 2

RUSSIA

10 stringing units

**Extreme temperature
Compliance with Russian Standards**

Catenary maintenance

ITALY

88 Multipurpose railway vehicles
16 Revamping maintenance units
1 Constant tension stringing unit
Full maintenance service

Self-propelled diagnostic vehicle

LITHUANIA

A new self-propelled diagnostic rolling-stock, with a range of speed up to 140km/h designed and manufactured in accordance with the latest European safety rules EN 14033

Electrification of new lines High speed

CHINA

> 30 stringing units
1,318 km BEIJING-SHANGHAI





Safety of Railway
Infrastructure
ITALY
2 Diagnostic Vehicles



**Installation of the contact
line & catenary
maintenance**

“Eagle P3 Project”

USA

1 Stringing unit & 1 Catenary maintenance
vehicle

A very fast rail wire installation



**Electrification of new
lines High speed**
CHINA
> 30 stringing units
1,318 km BEIJING-SHANGHAI



Customized solutions

POLAND

4 Stringing units
Tensioning system for railway wiring
operations composed by working units
mounted on ISO 20 size flat modules



**Advanced working methodology:
integrated systems &
technological solutions for a
complete jobsite
management**

VALUE CHAIN

Complete offer package **combining internal and partner's solutions**

DIGITALIZATION

Wide range of machines equipped with the latest digital technologies to allow higher **reliability, easier management, lower maintenance costs**

CLEAN & FAST SOLUTIONS

Providing services and solutions based on the **innovative “clean & fast” methodology**, especially in the 5G market

BESPOKE CONSULTANCY, RENTAL AND SERVICE

Rental solutions, experienced operators, consultancy services to best meet specific jobsite and customer requirements



TRENCHERS AND SURFACE MINERS: Fields of application

TESMEC



- TELECOM NETWORKS, FTTH & LONG DISTANCE, POWER CABLE INSTALLATION
- OIL & GAS, WATER PIPELINES, RENEWABLES
- BULK EXCAVATION, QUARRIES & SURFACES MINING



Trenchers and Surface Miners - Main worldwide experience

TESMEC

Gas Pipeline

USA

1150XHD Chainsaw

Water Pipeline

CHILE

1675 Chainsaw

Bauxite Mining

WEST AFRICA (GUINEA, IVORY COAST)

1150 & 1475 Rock Hawg

30xTrucks + Semi-trailers

Golden Valley Wind Farm

SOUTH AFRICA

1150 Rocksaw & ST2

South Al Mutlaa project

KUWAIT

1475 & 1675 Chainsaw EVO

Tunneling project

AUSTRALIA

1475 Rock Hawg EVO

Riyadh metro station

KSA

1475 Rock Hawg

Fiber Optic Project s

NEW ZEALAND

Cleanfast, ST2

Fiber Optics Laying

UK

Georadar Explorer 2.0 & Sidecut

Surface mining Gold

RUSSIA

1475 Rock Hawg

Limestone quarry

UZBEKISTAN

1475 Rock Hawg

Canal Sugar Project

EGYPT

1150EVO & 1475EVO Chainsaw

Wind Farms Projects

AUSTRALIA

Automatic cable laying system





EFFICIENT DIGGING SOLUTIONS
Low-footprint systems



Fiber Optics Laying
UK
Georadar Explorer 2.0 & Sidecut



Bauxite Mining
WEST AFRICA (GUINEA, IVORY COAST)
1150 & 1475 Rock Hawg



Tunneling project
AUSTRALIA
1475 Rock Hawg EVO



Wind Farms Projects
AUSTRALIA
Automatic cable laying system

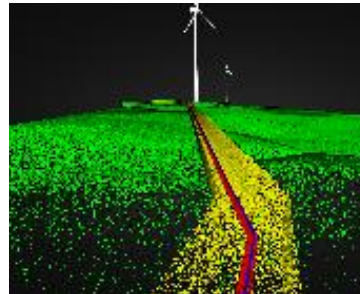
GEORADAR



GEODRONE



PRIMIS LIVE



MOBILE LAB



Advanced set of tools, technologies and assets to provide the most outstanding output

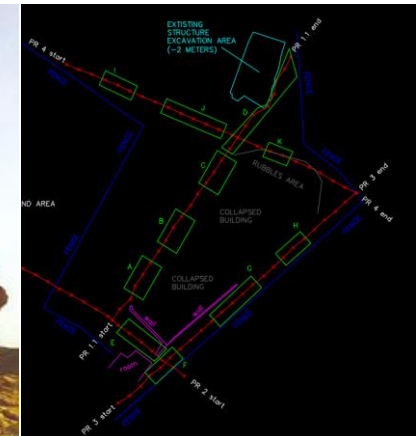
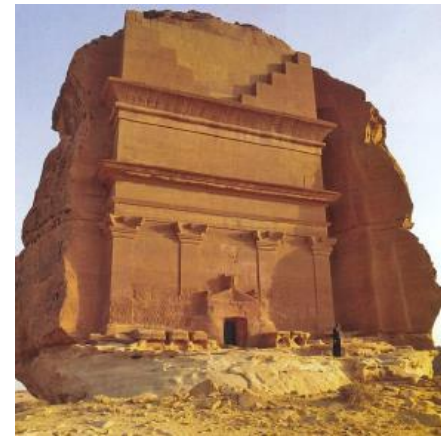
DIGITALIZATION OF EXISTING INFRASTRUCTURES

LIVE AND SYNCHRONIZED WORKING ENVIRONMENT

VIRTUAL RECONSTRUCTION OF UNDER AND ABOVE

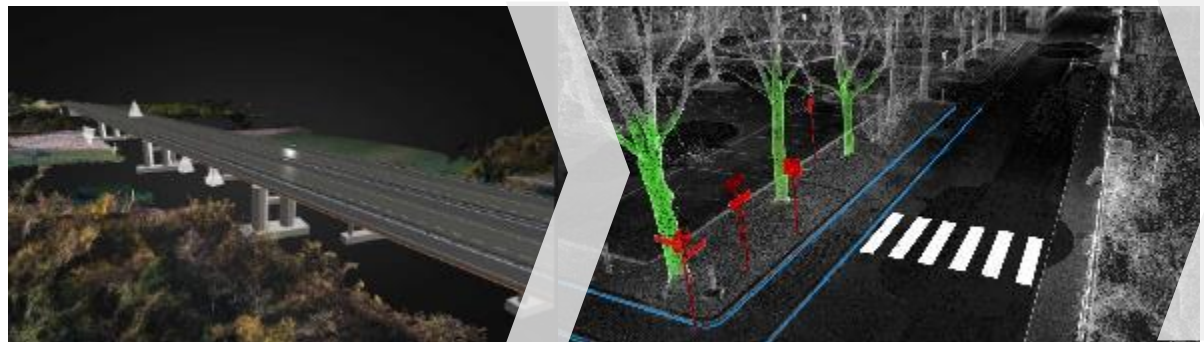
TOWARDS OPERATIONS EXCELLENCE

Delivering industrial competitiveness, measuring services and asset's assessment



INTEGRATED VALUE CHAIN

Multi Layering 3D Engineering
Risk Mitigation Plans
Predictive Maintenance Support



3. 2023.9M Results

- Big backlog recovery with important orders acquisition thanks to new opportunities in renewable sector
- Refurbishment of high voltage lines in key markets
- Digital transformation
- Consolidate the worldwide presence & normalization of the supply chain



Mindset fit to the actual customers needs, designing the value chain starting from clearly identified touch points.



Significant orders acquisition with supply chain reinforcement and balanced mix between new products and equipments.



Shift to a digital approach using technologies to pursue a clear and agile relationship market oriented.



Cross collaboration between branches, with local sales network integration and a stronger service department.

- Consolidation of existing innovative markets and leverage on technological skills development to open new market opportunities
- Completion of solution portfolio in terms of products and systems
- Supply chain management



Market consolidation with Italian utilities, thanks to new technological and future-proof products.



Significant opportunities for smart grid solutions with business development in foreign countries.



Portfolio completion with new development for foreign countries, new product functionalities and transformer protection applications.



Medium-long term forecast planning and supply chain management: increase flexibility with a review purchasing model focused on efficiency.

- We encourage the development of **SUSTAINABLE** railway infrastructures: from diesel vehicles to vehicles equipped with Škoda electrically-powered traction solutions
- **DIAGNOSTICS & DIGITIZATION** to increase the predictive maintenance and the safety and of the railway network: centralized platform for the diagnostic of rail and civil infrastructure



From now zero emissions solutions:

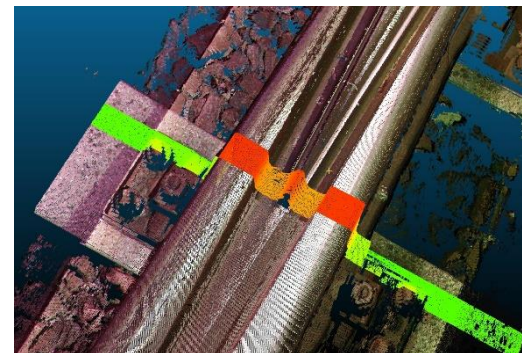
- full-electric
- bimodal plus energy storage
- hybrid solutions



Diagnostic Platform on cloud for data management with Artificial Intelligence algorithms combining data coming from multiple systems.



- Reduction of CO2 emissions
- Reduction of fossil fuel consumption
- Elimination of hydraulic oils



The machine learning algorithms based on the history of defects and quality indices accrued, validate the defect or not. Reliable & accurate data.

- Business development in USA



Tesmec is focusing in developing business opportunities in the US market, especially in fiber optic and mining industries, expecting a significant business volume increase

- Development of a new platform for optic fiber machines



Focus on the creation of a new platform for optic fiber machine and give the clients the possibility to have wide solutions. The platform will be presented in two different way: electrical and endothermically engine

- Consolidate the business in North Africa through NAPEC participation



Tesmec aims to strengthen and develop business opportunities in the Guinea market and pointing to have a significant business

- Consolidate the presence on Middle East through event creation

TESMEC
PENINSULA

TESMEC
SAUDI ARABIA

Consolidate the presence on the Middle East markets by creation of events for both Tesmec subsidiaries: Tesmec Peninsula and Tesmec Saudi Arabia will host a site construction demo followed by open house events to present clients with the management

2023.9M CLOSING

TESMEC

GROUP (€ mln)	2023.9M	2022.9M	Δ vs.22
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REVENUES (1)	193,5	173,5	+11,6%
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EBITDA (2)	27,5	25,9	+6,0%
% on Revenues (2)	14,2%	14,9%	

EBIT	10,3	9,7	+6,5%
% on Revenues	5,3%	5,6%	

Net financial charges (3)	(8,0)	(3,9)	} -13,7 €M
Differences in Exchange (3)	(1,4)	8,2	

PROFIT (LOSS) BEFORE TAX	0,9	14,0	
% on Revenues	0,4%	8,1%	

NET INCOME/(LOSS)	0,2	9,2	
% on Revenues	0,1%	5,3%	

GROUP (€ mln)	2023.9M	Dec. 31, 2022	Δ vs.22
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NFP ante IFRS 16 (4)	127,7	104,3	+23,4
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NFP post IFRS 16 (4)	149,0	128,4	+20,6
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Memo: stocks+WIP	147,2	126,4	+20,8
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RESULTS COMMENTARY

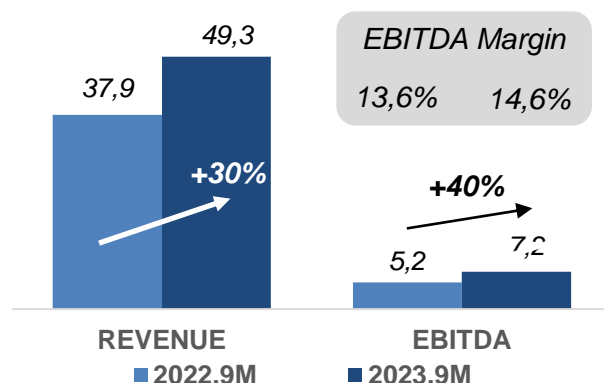
- (1) **Revenues: +11,6%** driven mainly by **Trencher** and **Energy** sectors
- (2) **EBITDA: +6%** positively impacted by favorable sales mix yielding higher margins
Q3'23 18% EBITDA margin benefitting of absence of non-recurring charges (-2€M in H1'23) and recovery of inflative effects (affecting Q3'22)
- (3) -13.7€M negative impact from interests (-4.1€M) and ForEx (-9.6€M, mostly unrealized)
- (4) **NFP increasing** by 20.6 €M vs. Dec.22, entirely due to higher inventory to meeting/safeguarding short-term expected sales growth

2023.9M _ BUSINESS BREAKDOWN

€ mln

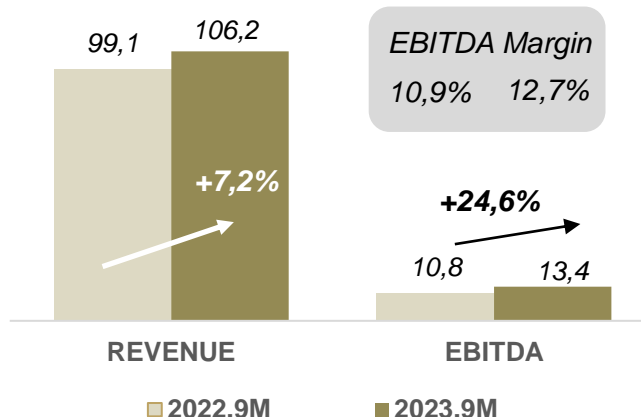
TESMEC

ENERGY



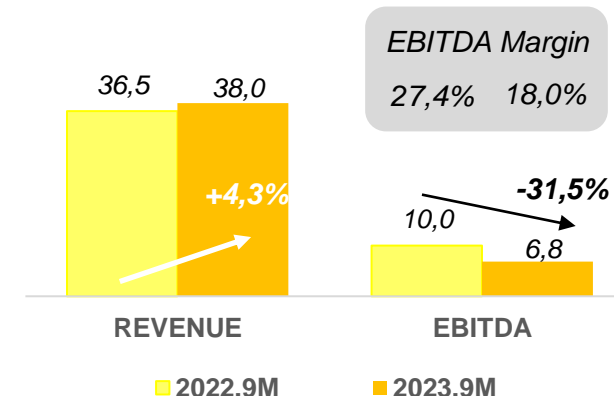
- **REVENUES AT 49,3€M, + 30%** thanks to both Stringing and Automation segments, within solid perspectives of Energy industry mid-term growth potential
- **EBITDA AT 7,2€M, + 40%** thanks to improved mix and supply chain efficiencies in Stringing segment
- **BACKLOG AT 123,7€M**

TRENCHERS



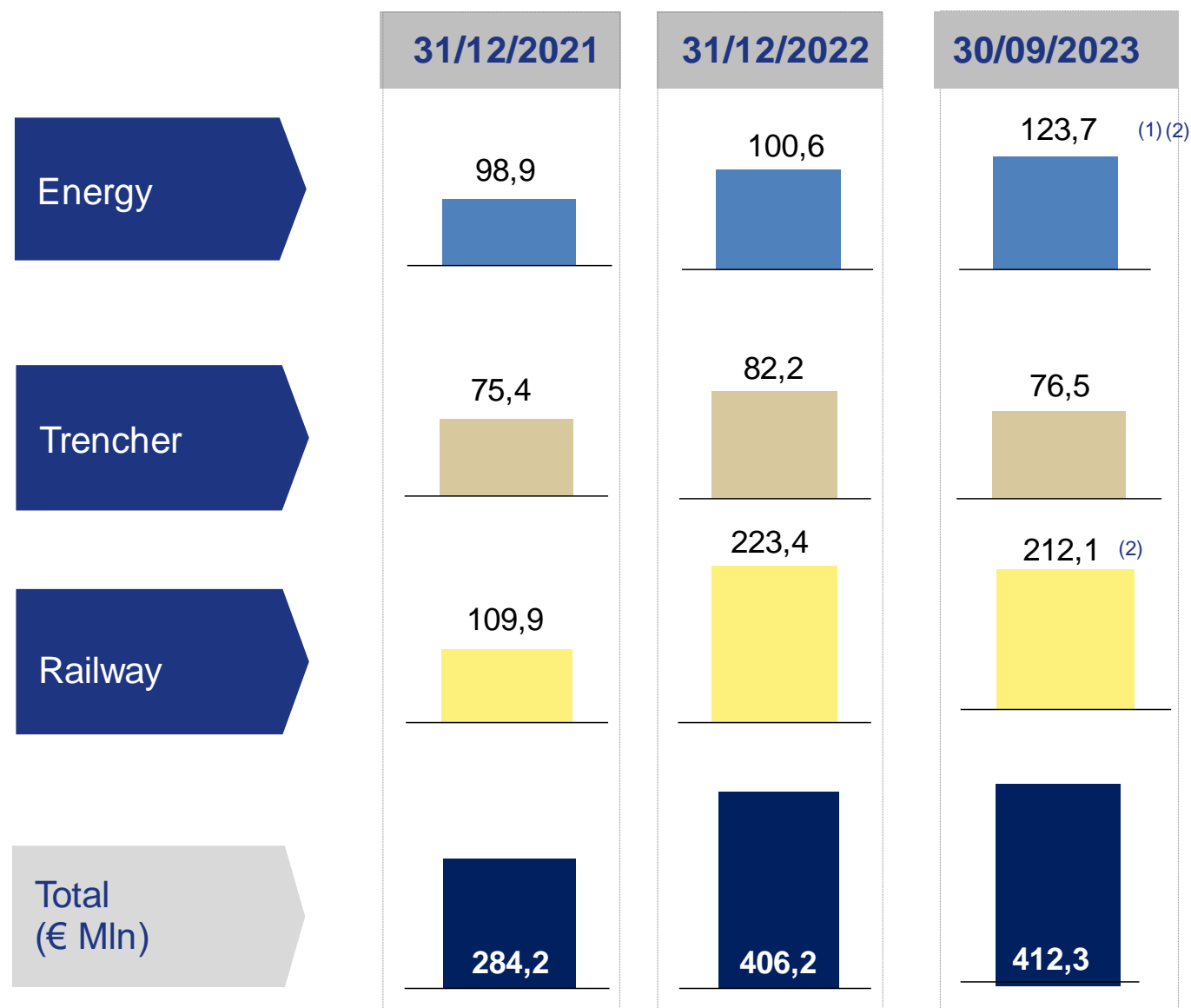
- **REVENUES AT 106,2€M, +7,2%** mainly driven by ME and US markets
- **EBITDA AT 13,4€M, +24,6%** thanks to favorable sales mix in Q3'23 (against a Q3'22 negatively affected by inflation), more than offsetting in the 9-months the strengthening of the commercial/business development organization and H1 non-recurring charges
- **BACKLOG AT 76,5€M**

RAIL



- **REVENUES AT 38€M, +4,3%** due to continuation/completion of existing job orders and progressive start-up of new contracts
- **EBITDA AT 6,8€M, -31,5%** due to job-order mix, rebound expected from Q4'23
- **BACKLOG AT 212,1€M**

BACKLOG evolution as of 2023.Q3



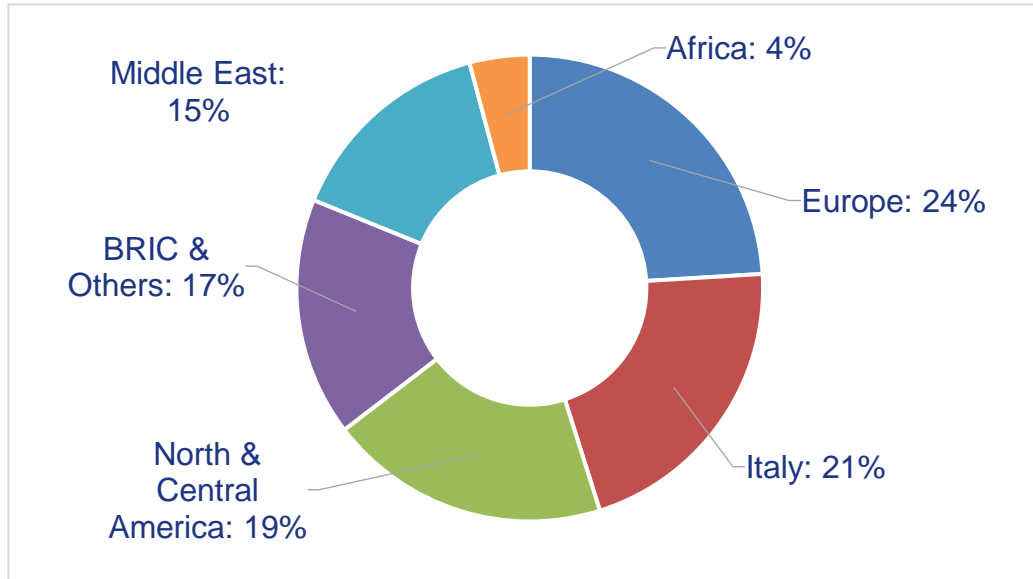
(1) Including new opportunities in hi-tech content business

(2) Long term backlog in Automation and Rail

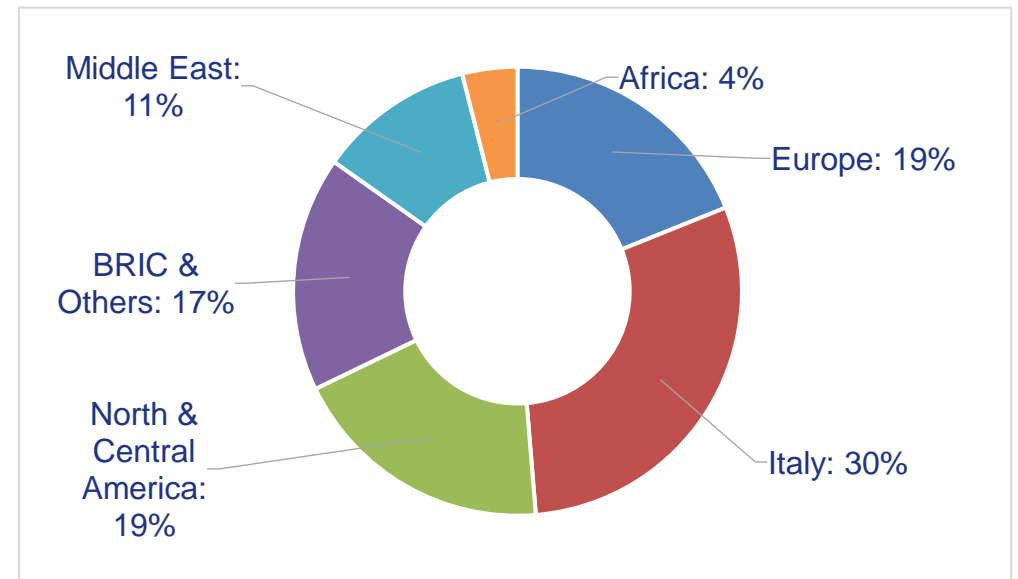
2023.9M REVENUES BY GEOGRAPHY

TESMEC

2023.9M: 193,5 Mln€

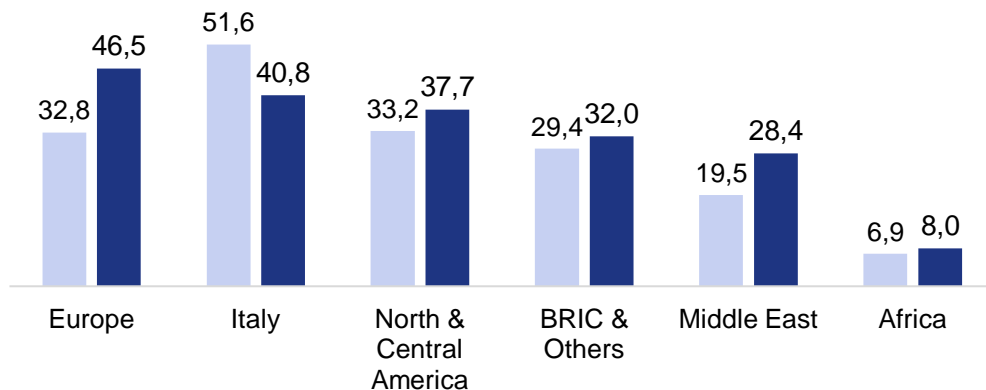


2022.9M: 173,5 Mln€



Revenue by Region (Mln €)

■ 2022.9M ■ 2023.9M



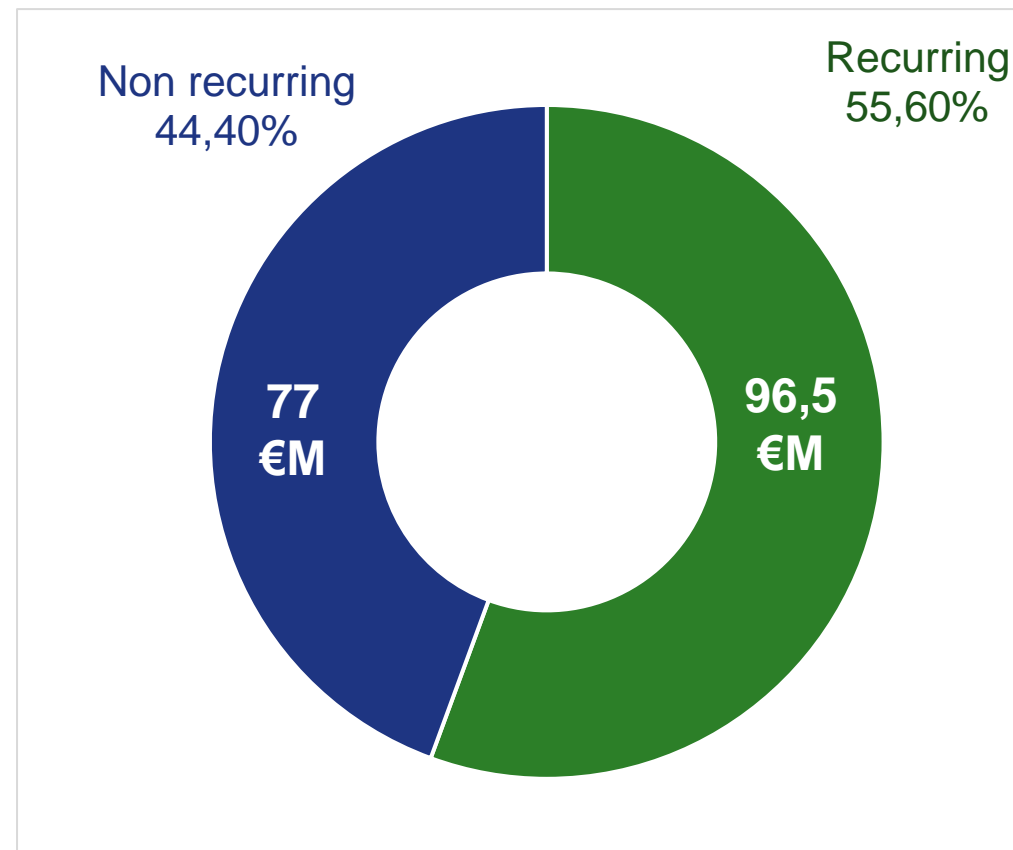
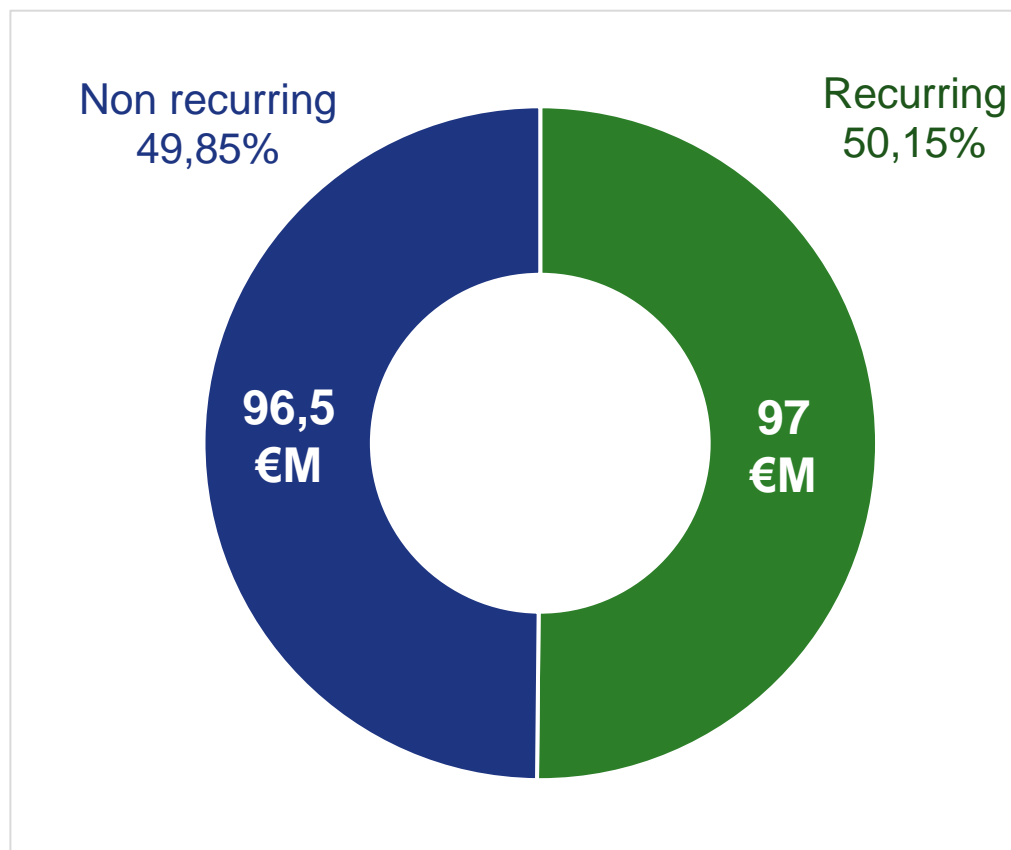
- **ITALY:** Railway and Trencher impact
- **USA&ME:** Trencher impact
- **EU:** Rail and Energy impact
- **BRICS:** Trencher and Energy impact

2023.9M REVENUES “Recurring” vs “Non-recurring”

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2023.9M: 193,5 €Mln

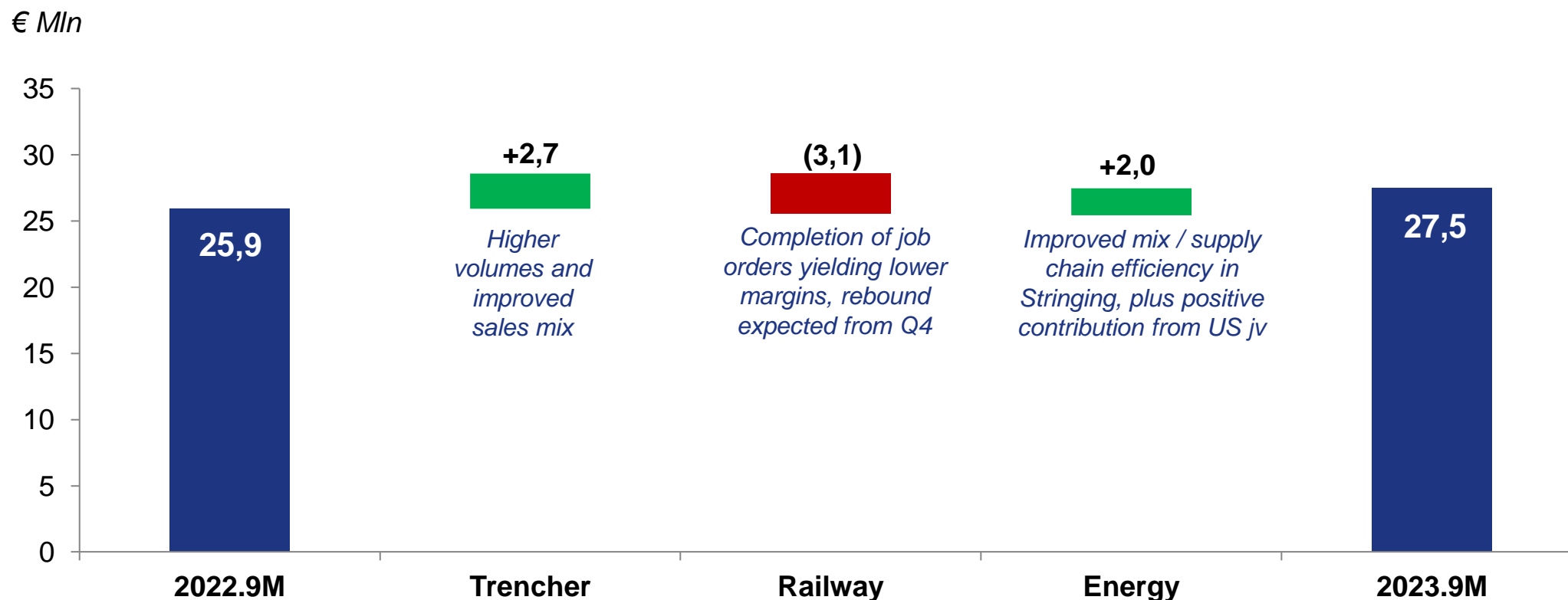
2022.9M: 173,5 €Mln



- **Recurring:** Rental, Projects, Spare Parts, Services (maintenance, revamping & refurbishing, consulting & training), long term backlog (Automation & Rail)
- **Non recurring:** Sales of goods

2023.9M EBITDA EVOLUTION BY BU

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2023.9M FINANCIAL RESULTS

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Financial Information (€ mln)	Sep. 30, 2023	Dec. 31, 2022
Net Working Capital	105,6	80,6
<i>of which: inventory + WIP</i>	<i>147,2</i>	<i>126,4</i>
Net Fixed Assets	90,3	89,7
Right of use - IFRS 16/IAS 17	19,1	21,9
Other Long-Term Assets/Liabilities	18,4	19,5
Net Invested Capital	233,4	211,7
Net Financial Indebtness	127,7	104,2
Lease liability - IFRS 16/IAS 17	21,3	24,1
Equity	84,4	83,4
Total Sources of Financing	233,4	211,7

Dec. '22

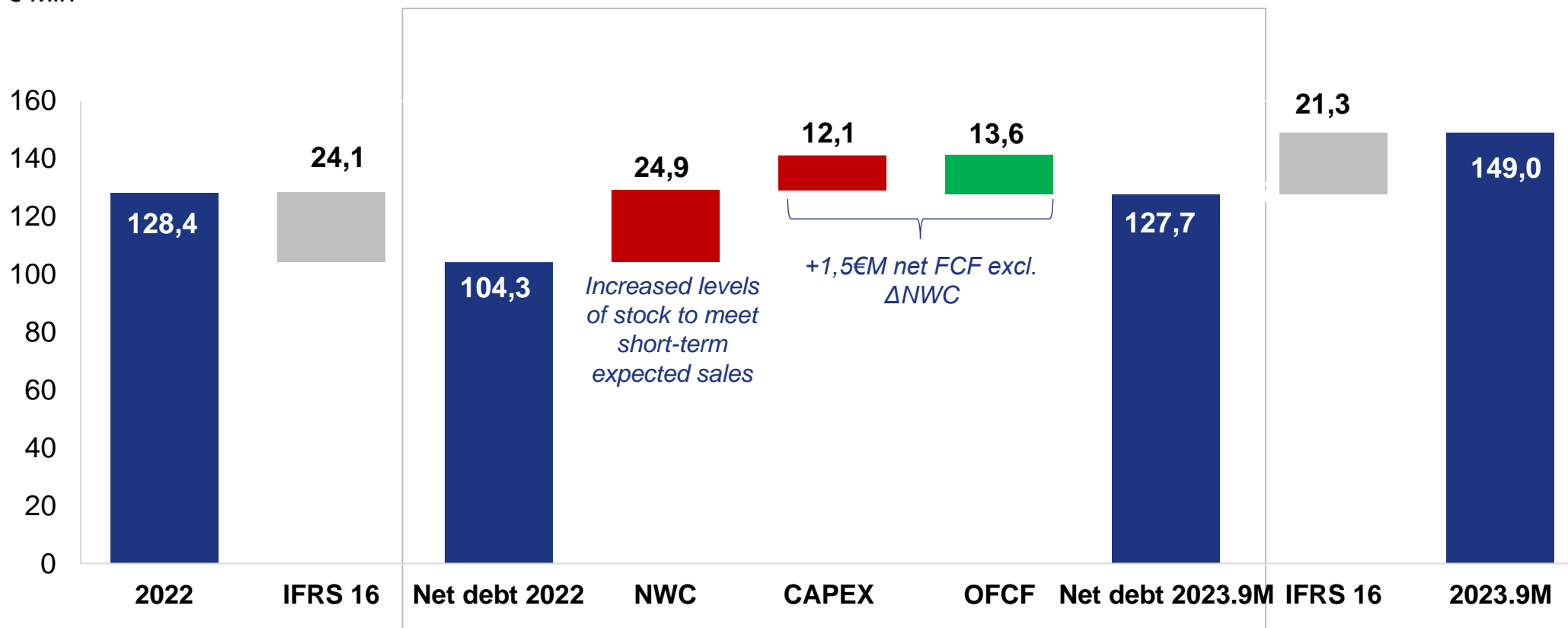
Both Net Invested Capital and Net Financial Position increasing due to still high inventory levels + WIP to meet/safeguard short-term sales expectations

Sept. '23

2023.9M NET FINANCIAL POSITION EVOLUTION AND FREE CASH FLOW

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€ Mln



Dec. '22
128,4€M

- 1,5€M positive free cash flow excluding NWC (totaling 4,3€M when including ΔIFRS 16)
- -24,9€M ΔNWC, increasing largely due to higher inventories+ WIP to meeting/safeguarding short term sales expectations

Sep. '23
149€M

2023.9M NET WORKING CAPITAL EVOLUTION

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€ mln	2023.9M	Dec. 31, 2022
Inventories	117,5	101,4
Work in progress contracts	29,7	25,0
Trade Receivables	60,2	56,2
Trade Payables	(85,8)	(74,2)
Other Current Assets/(Liabilities)	(16,1)	(27,8)
Net Working Capital	105,6	80,6
<i>Memo: days NWC</i>	<i>145 days</i>	<i>120 days</i>

Dec. '22
80,6€M

NWC increasing due to higher Inventories + WIP to meet/safeguard short term sales expectations

Sep.'23
105,6€M

* In Q1'23 WIP and Other current ass. / liab. were influenced by a mere reclassification of a Rail job-order billed in Jan. '23 but still included in WIP at the end of '22, net of related anticipated payments (this latter ones before included in Other current ass./liab.)

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