ansaldo energia

Fit for transition

CONSOLIDATED FINANCIAL STATEMENTS

2025

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CORPORATE BODIES OF THE PARENT COMPANY

With the approval of the 2024 financial statements, the term of office of the Directors and Statutory Auditors has expired. Pending the appointment of the new members by the Shareholder's Meeting, the current members of the corporate bodies continue to operate under a system of *prorogatio*, as do the committees. The current situation is as follows:

Board of directors

Franzino Lorenza Franca	Chairman
Zetti Giovanni	Vice Chairman
Fabbri Fabrizio	Chief Executive Officer
Bisagni Chiara	Board Member
Girdinio Paola	Board Member
Massara Gaetano	Board Member
Pellegrini Fabiola	Board Member
Barchiesi Fabio	Board Member
Dainelli Maurizio	Board Member

Board of statutory auditors

Corradini Carlo	Chairman
Gazzola Elena	Statutory Auditor
Del Fabbro Pietro	Statutory Auditor
Russo Paolo	Alternate Auditor
Gardin Samantha	Alternate Auditor

Supervisory Board

Appointed by the Board of Directors on May 23, 2023, it expires with the approval of the financial statements at 12/31/2025.

Lecis Ugo	Chairman
Maretti Paola	
Minutillo Flavia Daunia	

Appointments and remuneration committee

Dainelli Maurizio	Chairman
Bisagni Chiara	
Pellegrini Fabiola	

Risk and substainability committee

Girdinio Paola	Chairman
Zetti Giovanni	
Massara Gaetano	

Audit firm

Deloitte & Touche SpA

GROUP RESULTS AND OUTLOOK

Orders	**2025: € 2,296** **2024:** € 1,793	**M** M
Revenues	**2025: € 1,232.22** **2024:** € 1,116.33	**M** M
Net result	**2025: € 20.4** **2024:** € (21.5)	**M** M
Net financial debt	**2025: € 403** **2024:** € 551	**M** M
Order Backlog	**2025: € 5,500** **2024:** € 4,437	**M** M
EBIT	**2025: € 31.17** **2024:** € (19.97)	**M** M
Free operating Cash Flow	**2025: € 223.2** **2024:** € 44.50	**M** M
Headcount	**2025: 3,478** **2024:** 3,244	

REPORT ON OPERATIONS


THINK
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LIVE
YOUR
LIFE

Shareholders

In 2025, order intake stood at Euro 2,296 million compared to Euro 1,793 million in 2024, an increase of 40% compared to the 2025 Budget included in the Group's 2025-2029 Industrial Business Plan, approved on 25 February 2025.

Over the past three years, the Group has initiated a gradual transformation process of the order portfolio into the *New Unit* segment, favoring the adoption of contract forms characterized by lower levels of risk. This strategic choice has enabled us to strengthen the overall margin and to consolidate the capacity to operate in accordance with economic and operational expectations. At the same time, it has helped to support the structural growth of the *Service* sector, which continues to represent an element of stability and profitability for the whole Group.

The 2025 results confirm a significant improvement in performance both compared to the results recorded in 2024 and the planned levels of order intake, demonstrating the Group's commercial strength, the competitiveness of its offering, and its credibility in international markets.

Moreover, this progressive transformation of the order portfolio, together with the tax benefits, which will be described in the dedicated paragraphs, has enabled significant improvements compared to the previous year regarding net result, operating cash flow, and financial indebtedness.

The most significant events that occurred during the year are described below, with reference to the paragraphs dedicated to the respective *Business Units* for further details.

In the *New Unit* section:

- February – in Ireland, the project for a new 300 MW power plant fueled 100% by HVO biofuel was launched, involving the supply of an AE94.3A turbine and its generator. The plant will ensure security of supply and flexibility, with the possibility of future conversion to hydrogen;
- February – in Italy, Ansaldo Energia, together with its partners in a Temporary Consortium ("Raggruppamento Temporaneo di Concorrenti"), was awarded the contract for the supply of five synchronous compensators for Terna, for a total value of approximately Euro 300 million. These devices will strengthen grid stability and the integration of renewable energy sources;
- April – In Hungary a contract was signed for the construction of a 1,000 MW combined-cycle power plant in Tiszaújváros, featuring technologies ready for hydrogen use;
- June – in Ireland, the project for a new 300 MW power plant in Kilshane was announced, involving the supply of a AE94.3A gas turbines and generator, with entry into service expected in 2028;
- June – In Azerbaijan the Mingachevir "8 November" power plant was inaugurated. The plant was built using four AE94.3A turbines and four generators supplied by Ansaldo Energia and is designed to enable the combustion of up to 40% hydrogen;
- December – Ansaldo Energia was awarded a contract for the supply of a hydrogen-ready turbines GT26 for the new Mátra power plant in Hungary, which will replace a lignite-fired plant, reducing CO_2 emissions by up to 70%.

Finally, during the year the first AE94.3A unit and generator for the Al Dhafra site was delivered, as reported in the following paragraphs.

With reference to the *Service sector*, the implementation of risk mitigation actions, a consolidated and proactive customer relationship, careful monitoring of cash inflows and margins, and continuous technological implementation across the AEN gas turbines fleet have enable this *Business Unit* to exceed all the KPIs set out in the 2025 Budget. Furthermore, it is reported that:

- May – in France, the MXL3 upgrade of the ENGIE's Combigolfe plant was completed, with a power increase of 31 MW, an efficiency improvement of 2.3%, and the possibility of co-combustion with hydrogen of up to 45%;
- October – Ansaldo Energia completed the upgrade of the Alpiq power plant in San Se-

vero, with a power increase of 43 MW, greater efficiency, and readiness for combustion of up to 25% hydrogen;
- in December, the Swiss Parliament approved the agreement signed in July 2025 between Ansaldo Energia Switzerland (AES) and the Bundesamt für Energie (BFE) for the reactivation of the Birr power plant as a winter thermal reserve. The contract provide for three phases: (I) implementation, (ii) availability and (iii) service. AES is required to ensure full operation readiness by January 31st 2027. After this date, the availability phase will commence, renewable on an annual basis until a maximum date of May 31st 2030.

Further significant achievements involving the subsidiary Ansaldo Nucleare are also reported below:
- March – the AMW consortium (Ansaldo, Mangiarotti, Walter Tosto), of which Ansaldo Nucleare is a member, completed the second European sector of the Vacuum Vessel for ITER, the largest international nuclear fusion experiment;
- May – Nuclitalia, a company jointly owned by Enel, Ansaldo Energia and Leonardo, was established, dedicated to the study of new generation nuclear technologies, with a focus on Small Modular Reactors (SMR);
- May – Ansaldo Energia signed a Memorandum of Understanding with Uzbekistan's Uzatom Agency to cooperate in the development of advanced nuclear technologies and SMRs.
- June – the EAGLES Consortium was established, bringing together Ansaldo Nucleare, ENEA, RATEN and SCK CEN to develop the fourth-generation modular lead-cooled EAGLES-300 reactor (a fast, lead-cooled modular reactor, designed to ensure intrinsic safety, efficiency and sustainability);
- October – In Genoa, the Uzatom delegation made an institutional visit to strengthen nuclear cooperation between Italy and Uzbekistan;
- November – at the World Nuclear Exhibition in Paris, Ansaldo Energia and Ansaldo Nucleare renewed their collaboration with NUWARD for the development of water-cooled SMR;
- December – the first joint review of the EAGLES Consortium took place in Mol, Belgium, confirming consistency with the roadmap and starting the next phase of development of the EAGLES-300 reactor.

With further reference to the *Renewable Energy* sector, managed through the subsidiary Ansaldo Green Tech, it is noted that:
- April – the agreement between Duferco Energia and Ansaldo Green Tech was signed for the development of the Giamboro Hydrogen Valley (Messina), featuring a 1 MW AEM electrolyze powered by photovoltaic energy, capable of producing approximately 100 tons of green hydrogen per year;
- October – Ansaldo Green Tech commenced collaboration with PRE S.r.l. for the construction of the first Hydrogen Valley in Basilicata, with an AEM 1 MW electrolyze.

THE GROUP AND THE MARKET ENVIRONMENT

Global Market Trends and Outlook for Power Plant and Power Generation Component Construction

Ansaldo Energia Group operates in more than 30 countries worldwide.

Its activities are focused on four main *business lines:*

- ***New Units***, which covers the design and manufacture of gas, steam and generator turbines, as well as all the engineering, procurement and construction activities for turnkey thermal power plants;
- ***Service***, which provides all maintenance, repair, spare parts and performance improvement services of existing plants, both within the Group's installed fleet and for third-party fleets;
- ***Nuclear***, carried out through Ansaldo Nucleare, wholly owned by Ansaldo Energia, operates in the construction and decom-

missioning of nuclear plants, in projects and engineering studies related to SMR *(Small Modular Reactor)* and nuclear fusion technologies, as well as treatment of radioactive waste from existing nuclear facilities;

- ***Ansaldo Green Tech***, a wholly owned subsidiary of Ansaldo Energia, aims at supporting the diversification through products and technologies for the energy transition, with particular reference on anion exchange membrane electrolyzes (AEM).

These activities are carried out by the parent company, its subsidiaries and more than thirty *branches* (of Ansaldo Energia, Ansaldo Nucleare and Ansaldo Energia Switzerland) located in the countries where the customer's plants are located.

In addition, in order to make its portfolio increasingly sustainable and aligned with evolving market trends, Ansaldo Energia is investing in **research and development activities** focused on several strategic areas, including:

- *Sequential combustion:* technology that maximizes the efficiency of GT36 and GT26 turbines, while enhancing operational flexibility.
- *Hydrogen in fuels:* turbines already configured to operate with fuel blends containing up to 70% hydrogen (GT36) and target of reach 100% across the entire range by 2030.
- *Repair of critical components:* development of advanced techniques at *Repair Centers* to extend machine service life and reduce maintenance costs.
- *Digitalization and predictive diagnostics:* remote control and digital plant management solutions aimed at optimizing operations and maintenance activities.
- *Upgrade packages:* targeted interventions designed to improve the performance of existing machines and power plants.
- *Grid stability and Plant Integrator:* generators that can be operated as synchronous compensators to ensure continuity and inertia; development of the plant integrator concept to enable coordinated management of renewable energy sources and energy storage systems.

Macroeconomic fundamentals

The global economy in 2025-2026 remains resilient but is slowing, constrained by geopolitical uncertainties, trade fragmentation, and structural challenges. Global growth, just above 3%, reflects weaker performance in advanced economies and more dynamic emerging markets, driven in particular by India and Asia.

Inflation continues to ease, leading central banks towards to less restrictive monetary policies, while public debts remain elevated.

Geopolitical tensions, tariffs, commodity price volatility and global financial risks represent the main threats to economic outlook.

The International Energy Agency's (IEA) World Energy Outlook 2025 (WEO)depicts a global energy landscape in which the energy transition is characterised by increasing complementarity between clean technologies and traditional energy sources. While investments in renewables have reached record level demand for oil, gas and coal remains high in many regions, supported by energy security and economic development policies in emerging countries, as well as by policy decisions of the US Administration.

Under the Stated Policies Scenario (STEPS – a Scenario representing an energy trajectory based on policies and measures already adopted or officially announced by governments, providing a realistic snapshot of expected trends), global electricity demand is projected to grow at a faster rate than total energy consumption (between 2024 and 2035, growth of 3.2% per year compared to 0.7% for energy demand), driven by electrification of sectors such as transport, industry, and cooling, especially in emerging economies.

By 2035, electricity is expected to account for more one quarter of the global final energy consumption, increasing by almost 1,000 TWh per year (equivalent to the annual electricity consumption of a country like Japan or all African countries combined), supported by the extension of electric vehicles, heat pumps, data centres, and new digital uses.

Installed global electrical capacity is growing rapidly, driven mainly by renewables. By 2035, the cumulative capacity of renewable sources will reach around 14,000 GW (CAGR 9.7%), more than doubling compared to 2024 levels, while total installed capacity will exceed 21,000 GW (CAGR 6.8%), also thanks to a growing contribution from batteries and nuclear power.

Within the global power generation mix outlined by the IEA's World Energy Outlook 2025, natural gas continues to play a central role both as a baseload energy source, particularly as in resource-rich region (Middle East or CIS), and as a flexible resource supporting system security, especially during peak period of demand and in power systems with an increasing share of variable renewables, as is the case in Europe.

Under the STEPS scenario, global natural gas electricity generation capacity is expected to continue to grow through 2035, reaching approximately 2,500 GW (from around 2,000 GW in 2024), confirming the relevance of gas both security of supply and power system flexibility.

Finally, the World Energy Outlook 2025 highlights how the growth in global demand for gas turbines, driven by the expansion of natural gas capacity especially in areas such as the United States, the Middle East, and Asia, is placing increasing pressure on the production capacity of OEMs (Original Equipment Manufacturers). In recent years, rising orders volume have resulted in longer delivery times and higher costs, signalling a risk of bottlenecks in the industrial supply chain if demand remains strong or increase further.

Ansaldo Energia's reference market for 50 Hz gas turbines with power plant output above 50 MW amounted to approximately 25 GW of capacity sold in 2025 (18 GW in 2024), with Europe and China contributing 29% and 24% respectively (followed by the Middle East at 22%). More broadly, there is a significant contribution from the 60 Hz market, with a final total sale in 2025 exceeding 61 GW (the second-best result since 1980), driven particularly by demand for gas turbines in the United States for data centres applications.

In parallel, the nuclear sector is also experiencing renewed dynamism, including in Europe, where various operators and countries are accelerating programs dedicated to the development of SMRs – Small Modular Reactors. Ansaldo Energia, through its subsidiary Ansaldo Nucleare, is involved in a consortium with other partners in the development of SMR solutions that in the long term could contribute to reducing energy dependence on natural gas and related producing countries, within a geopolitical context that remains evolving and subject to significant criticalities (e.g., instability in the Middle East and on the Russian front).

The outlook of the year 2025

Below is a detailed analysis of the main markets where Ansaldo Energia Group operates.

Europe

The European market returned to growth with approximately 5 GW of Gas Turbines capacity awarded in 2025 compared to around 1.3 GW in 2024, in particular:

- 3.3 GW in Eastern Europe (Poland, Hungary, Czech Republic, Romania);
- 1.2 GW in Ireland.

Particularly significant commercial performance for Ansaldo Energia in Hungary (1.1 GW), Ireland (0.7 GW) and Greece (0.3 GW).

Middle East

The Middle East market shows a mixed dynamic: alongside the slowdown in the 60 Hz segment in Saudi Arabia, there is a strong recovery of the 50 Hz market with an allocated capacity of 5.5 GW, driven by Qatar, as well as Israel, Iraq and Iran.

Africa

The African market stands at approximately 1 GW of newly allocated capacity, derived from a single Class H plant sold in Morocco by Mitsubishi. The figure is in accordance with previous years, with total sales values within 2 GW per year.

Asia

The Asian region shows significant growth, with approximately 10 GW of allocated capacity, of which 6 GW is in China. Compared to 2024, the market shows expansion driven by investments in South-East Asia countries (Cambodia, Vietnam and Singapore) with more than 2 GW of capacity awarded.

CIS (Commonwealth of Independent States)

Following the exceptional results achieved in 2023 and 2024, 2025 marked a slowdown to 1 GW of allocated capacity. The outlook indicates a recovery starting as early as 2026.

In conclusion, 2025 represented a year of recovery and strong momentum for the company, supported by a growing global market, a strong competitive position and structurally increasing energy demand.

The outlook for the coming years remains favorable however it will require strategic targeted strategic choices with regard to the supply chain, production capacity and the further strengthening of Ansaldo Energia's international position.

FINANCIAL RESULTS

The 2025 financial year closed with a positive result of Euro 20.4 million (including non-controlling interest), representing a significant improvement compared to the previous year (increase of approximately Euro 42 million), which reported a loss of Euro 21.5 million.

As previously indicated, the gradual transformation of the order portfolio towards EQP/PI (Equipment/Power Island) contractual structures with lower risk profiles enabled the achievement of the expected margins, while the *Service* and Maintenance segment continued to support the Cash flow stability.

This strategic approach strengthened overall profitability. EBIT recorded a positive result of Euro 31.2 million, compared to a negative result of Euro 20 million in 2024.

Net financial charges (income) also improved, from a negative value of Euro 62.2 million in 2024 to negative Euro 60.8 million in 2025.

This item includes interest expenses on the Revolving financing of Euro 1.6 million, interest on the term loan of approximately Euro 6 million, interest accrued on the Shareholders' Loan for Euro 22.8 million.

Overall, the interest expenses payable to banks and other lenders decreased, confirming the ongoing *trend of* reduction of financial indebtedness and related charges. This improvement was also supported by the reduction in the *spread* applied by banks on outstanding loans, made possible by the improvement in the *Leverage Ratio*.

ANALYSIS OF THE ECONOMIC AND FINANCIAL SITUATION

The consolidated financial statements of Ansaldo Energia Group as at December 31st, 2025 have been prepared in accordance with the IAS/IFRS International Accounting standards as adopted by the European Commission together with the related interpretations (Standing Interpretations committee - SIC and International Financial Reporting Interpretation Committee - IFRIC) issued by the International Accounting Standards Board (IASB).

In order to provide a clearer and full presentation on the Group's consolidated statement of comprehensive income and consolidated statement of cash flows, the following reclassified statements have been prepared and commented on.

The reclassified consolidated income statement is set out below:

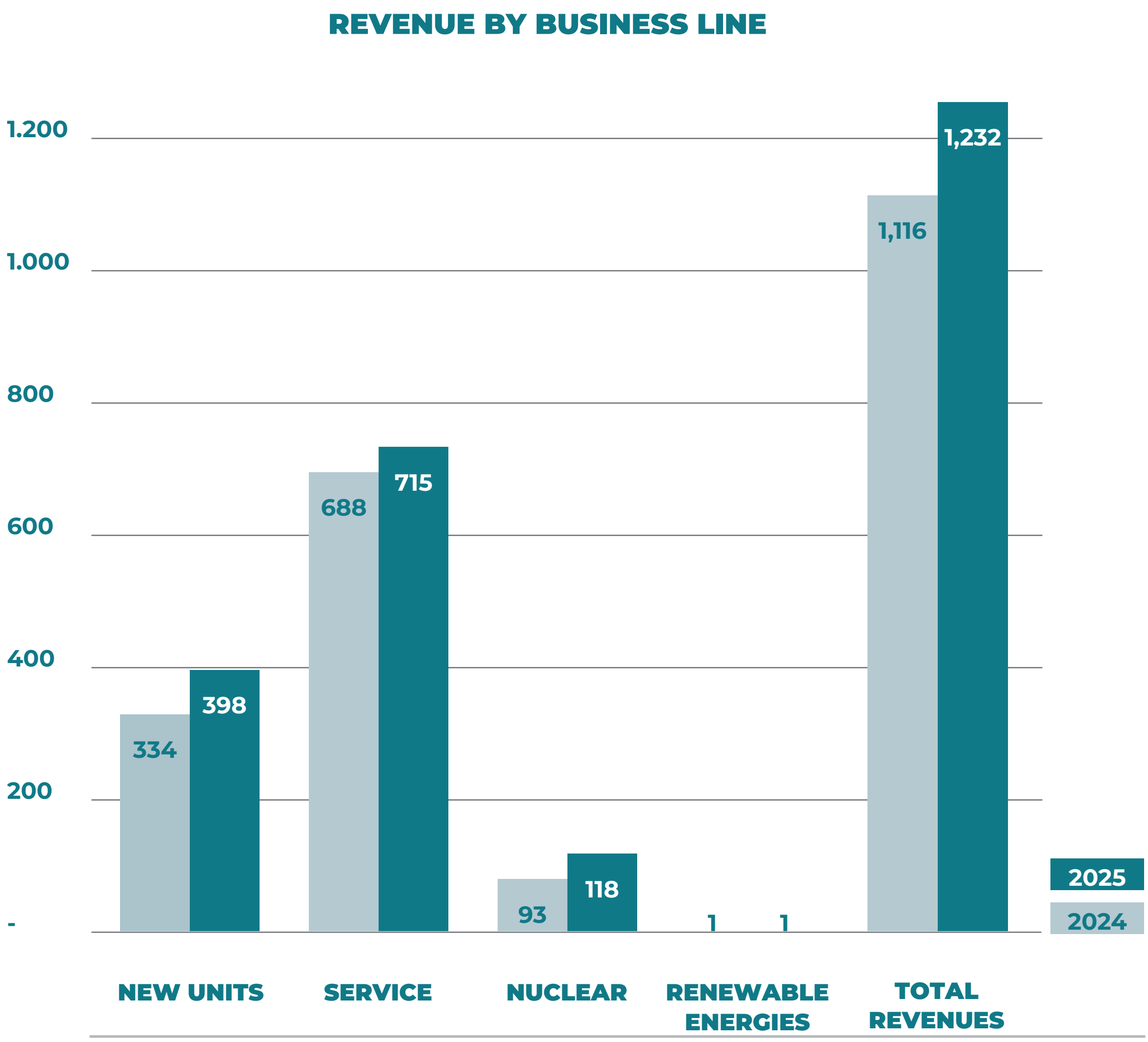
Euro/thousand	**2025**	**2024**
Revenue	1,232,220	1,116,339
	1,232,220	**1,116,339**
Purchases, services and Payroll	(1,043,172)	(1,014,751)
Write off (commercial)	(235)	(80)
Other operating net income (expenses)	(34,025)	(3,767)
Changing in work-in-progress, semi-finished and finished goods	(15,157)	2,148
Adjusted EBITDA	**139,631**	**99,889**
Amortization and depreciation	(55,679)	(54,495)
Adjusted EBITA	**83,952**	**45,394**
Non- recurring (costs)/income	(243)	(15,089)
Restructuring costs	(1,498)	(2,123)
Amortization of intangible assets acquired with business combination	(25,002)	(25,002)
Other extraordinary provisions	(25,983)	(23,166)
Impairment of other activities	(58)	-
EBIT	**31,168**	**(19,986)**
Net financial income (expenses)	(60,798)	(62,238)
Income taxes	(50,078)	(60,758)
NET RESULT	**20,448**	**(21,466)**
Attributable to non-controlling interest	(785)	(914)

It should be noted that EBITDA includes certain charges and provisions which, due to their exceptional and/or non-recurring nature, have been reclassified within the framework of the adjusted Ebitda.

The reconciliation between EBITDA as reported in the financial statements and adjusted EBITDA for the financial year 2025 is set out below:

Euro/thousand	**2025**	**2024**
Revenue	1,232,220	1,116,339
	1,232,220	**1,116,339**
Purchases, services and payroll	(1,044,874)	(1,031,963)
Write off (commercial)	(235)	(80)
Other operating net income (expenses)	(60,047)	(26,933)
Change in work-in-progress, semi-finished and finished goods	(15,157)	2,148
EBITDA	**111,907**	**59,511**
(Charges)/extraordinary income	(243)	(15,089)
Restructuring costs	(1,498)	(2,123)
Other extraordinary charges	(25,983)	(23,166)
Adjusted EBITDA	**139,631**	**99,889**

The trend in operating revenues over the last two financial years and the breakdown of operating revenues by *Business Line* are presented below (in millions of Euro):



The main indicators of the reclassified income statement are presented as follows (in millions of Euro):

The main items contributing to the EBIT were mainly as follows:

- ordinary depreciation amounting to Euro 55.7 million (including depreciation of assets recognized following the Purchase Price Allocation (PPA));
- intangible assets amortization arising from PPA allocations amounting to Euro 25 million;
- net non-recurring and restructuring charges amounting to Euro 27.8 million (representing a significant decrease compared to the previous year of Euro 40 million).

Euro/thousand	2025	2024
Other extraordinary charges	(25,983)	(23,166)
Extraordinary (costs)/income	(243)	(15,089)
Restructuring costs	(1,498)	(2,123)
Impairment other activities	(58)	-

Other extraordinary charges mainly related, for an amount of Euro 25 million, to costs associated with the consolidation of new products, connected to extraordinary shutdowns.

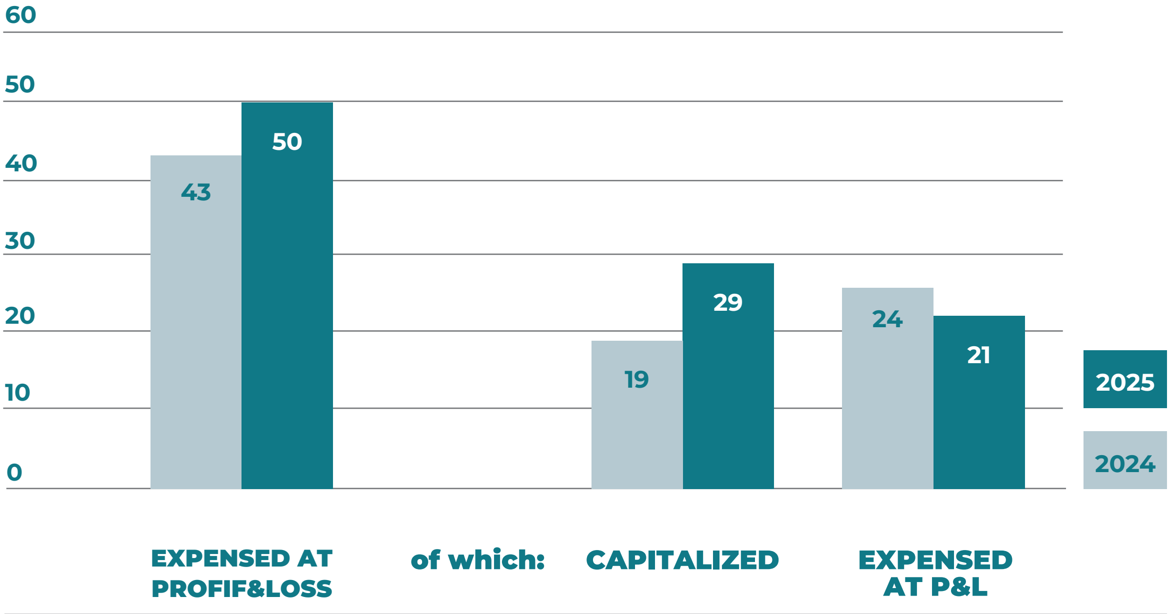
In this respect, reference is made to the GT36 gas turbines introduced to the market in 2019, for which additional interventions were required in connection with the completion of the development of a new product technology attributable to direct costs arisen from unforeseeable events. These above interventions do not affect the planned schedule as they are additional to the planned maintenance schedule and therefore considered as extraordinary cost.

The improvements identified and deemed necessary have been implemented starting from 2024, including machines already in operation. The completion of these fleet improvements involves extraordinary interventions planned over the coming years and has resulted in extraordinary provisions of Euro 25 million, in addition to the provision already recognized in the 2024 financial statements.

Extraordinary charges relate to non-recurring consultancy expenses, while restructuring costs include severance payments and exceptional redundancies programs.

Income taxes generate a positive effect of Euro 50 million, mainly attributable to the benefit arising from the tax losses transferred to the Parent Company Cassa Depositi e Prestiti under the previous consolidated tax agreement which has now renewed for the three-year period 2025-2027. An amount of approximately Euro 20 million, relating to tax losses transferred with reference to the 2024 financial year, was collected during 2025, while the remaining portion will be collected in November 2026. For further information, please refer to the section "Going concern".

The development of total R&D expenditure is summarized below:



Continued investments in research and development relates to the ongoing development of GT36 and GT26 products, acquired in 2016 as part of Ansaldo's gas turbines portfolio and the related associated *upgrades programs*, as well as to *upgrades* on Ansaldo gas turbines AE94.3 and improvements on Ansaldo gas turbines AE94.2, AE64.3 aimed at validation activities, with a view to expanding market coverage.

The following table presents the reclassified balance sheet as of 31 December, 2025 compared with 31 December 2024:

Euro/thousand	12/31/2025	12/31/2024
Non-current assets	**1,258,163**	**1,251,783**
Non-current liabilities	**142,215**	**128,469**
	1,115,948	**1,123,314**
Inventories	686,019	665,234
Contract work-in-progress	141,017	112,597
Trade receivables	348,713	346,930
Trade payables	398,813	391,361
Advances from customers	951,621	798,712
Working capital	**(174,685)**	**(65,312)**
Current Provisions	103,734	99,443
Other current net assets (liabilities)	(69,082)	(64,464)
Net working capital	**(347,501)**	**(229,219)**
Net invested capital	**768,447**	**894,095**
Equity	**365,496**	**342,886**
Attributable to non-controlling interests	1,912	2,621
Net financial debt (cash)	**402,951**	**551,209**

Non-current assets mainly include intangible assets amounting to Euro 933.3 million, including goodwill (Euro 600.5 million) and the residual value of the brand (Euro 76.5 million), tangible assets amounting to Euro 236 million (including assets under finance leases of Euro 53.3 million); trade receivables with maturities beyond one year amounting to Euro 11.3 million; investments of Euro 21.9 million; and deferred taxes assets of Euro 51.9 million.

The change in equity investments, amounting to Euro 2.9 million, mainly reflects the acquisition of the stake in Nuclitalia for a value of Euro 3.9 million, as well as the alignment of the net assets of the investees with the respective ownership interests. More specifically, Nuclitalia is jointly owned by Enel, Ansaldo Energia and Leonardo, and is engaged in the study of generation nuclear technologies, with a specified attention on *Small Modular Reactors* (SMR).

Non-current liabilities include the provision for employee termination benefits (TFR - Trattamento di Fine Rapporto), or Post-employment benefits and other defined benefit plans for personnel amounting to Euro 18.4 million, provisions for risk and charges of Euro 89.7 million and the deferred tax liabilities of Euro 29.5 million.

It should be noted that other liabilities include the IPCEI advances, received by Ansaldo Green Tech, amounting to approximately Euro 95 million.

Net working capital moved from a negative value of approximately Euro 229.2 million in 2024 to a negative value of Euro 347.5 million in 2025, mainly because of an increase in advances from customers invoiced during the year primarily related to new orders acquired.

In particular, a significant increase in advances from customers was recorded in connection with advance billings by the subsidiary Ansaldo Nucleare for the order relating to the Cernavoda power plant in Romania, as well as to the new acquisitions in the New Units segment.

Shareholders' equity amounted to euro 365.5 million and comprised the share capital of euro 407 million, the profit for the year, and the balance of other reserves.

FINANCIAL SITUATION

Group Net debt as at 31 December 2025 compared with the corresponding figure as at 31 December 2024 is set out below.

Euro/thousand	12/31/2025	12/31/2024
Cash and cash equivalents	360,885	310,311
Financial receivables from Related parties	493	468
Other financial receivables	2,953	3,494
CURRENT FINANCIAL RECEIVABLES	**364,331**	**314,273**
Current loans and borrowings	93,042	148,555
Related parties' loans and borrowings	17	22
Other current loans and borrowings	9,093	1,874
Short-term finance lease payables	8,620	8,779
CURRENT LOANS AND BORROWINGS	**110,772**	**159,230**
NET CURRENT FINANCIAL PAYABLES	**(253,559)**	**(155,043)**
Non-current loans and borrowings	254,442	349,377
Other non-current loans and borrowings	353,366	330,525
Long-term financial lease payables	48,704	26,350
NON-CURRENT LOANS AND BORROWINGS	**656,512**	**706,252**
NET FINANCIAL DEBT (CASH)	**402,953**	**551,209**

Net financial debt amounted to Euro 403 million as of 31 December 2025, recording a significant decrease of more than Euro 148 million compared to the corresponding figure for the previous year. Total liquidity amounted to Euro 360.9 million as of 31 December 2025, compared to Euro 310.3 million as of 31 December 2024, an increase of over Euro 50 million.

Financial liabilities to related parties refer to shareholder financing of the Parent Company provided by CDP Equity and the related accrued interest.

Short-term financial liabilities include the current share of guaranteed SACE financing amounting to Euro 62 million, and the current portion of the Term loan of Euro 27 million.

During the financial year, the current portion of the revolving credit facility was fully reimbursed for an amount equal to Euro 110 million, which, therefore, as of 31 December 2025 is fully available for the entire credit line of Euro 150 million. In addition the IFIS financing (Italy guaranteed financing granted by SACE, in the context of the first post-pandemic public support measures) was fully repaid for an amount of Euro 1.6 million.

Medium - to long -term financial debts include the non - current share of the SACE - guaranteed financing amounting to Euro 142.3 million and the Term loan of Euro 105 million, maturing in June 2027 and December 2028 respectively.

With the exception of the Shareholder's Loan, all financing arrangements are subject to compliance with financial *covenants*, which were fully met as of 31 December 2025. Reference is made to the relevant section of the explanatory notes, which also includes all detailed information relating to the aforementioned financial agreements.

During the year, a total of Euro 86 million was collected from consolidated tax scheme.

The increase in *lease liabilities* recognized in the financial statements as of 31 December 2025 compared to the previous year is mainly attributable to the *Supplementary fee* under the lease agreement relating to the Birr site (AES), aimed at enabling the reactivation of the Birr power plant as a winter thermal reserve. Under this agreement, the Group committed to keeping the plant available for activation upon request by the Swiss Federal Office of Energy BFE (Bundesamt für Energie), incurring specific additional costs related to the availability and management of the site. This *Supplementary fee* is fully compensated by revenues arising from the contract with the BFE. Therefore, the increase in lease liabilities is economically neutral for the Group, being fully offset by income recognized under the same contractual agreement.

The reclassified cash flow for 2025 compared with the corresponding figure for 2024 is set out below:

Euro/thousand	2025	2024
Cash and cash equivalents as of 1 January	**310,311**	**232,691**
Gross cash flow from operational activities	146,409	57,814
Net financial receipts (payments), income (charges), taxes and other operational assets (liabilities)	4,490	85,779
Funds from Operations (FFO)	**150,899**	**143,593**
Changes in working capital	133,965	(60,868)
Cash flow generated (used) by operational activities	**284,864**	**82,725**
Cash flow in ordinary investing activities	(61,685)	(38,226)
Free operating cash-flow (FOCF)	**223,179**	**44,499**
Strategic transactions and other non-recurring operations	(14,125)	-
Change in other investment activities	1	(8)
Dividends received	1,124	1,286
Cash flow from strategic investment activities and others	**(13,000)**	**1,278**
Capital increases	-	125,000
Net change in other financial receivables/payables	(154,555)	(89,878)
Cash flow generated (absorbed) by financing activities	**(154,555)**	**35,122**
Exchange rate differences	(5,042)	(3,475)
Other movements	-	196
Changes in consideration perimeter	(8)	-
Cash and cash equivalents as of 31 December	**360,885**	**310,311**

Strategic transaction included the acquisition of stakes of Nuclitalia for Euro 3.9 million and the repayment of Euro 10 million of the Simest loan (plus interest of Euro 225 thousand), subscribed in 2017 and related to the capital increase of the subsidiary Ansaldo Energia Switzerland.

The net change in other financial receivables/payables refers mainly to the full repayment of the current portion of the Revolving Credit Facility (RCF) amounting to Euro 110 million, which therefore, as of 31 December 2025, is fully available for the entire credit line of Euro 150 million.

ALTERNATIVE "NON-GAAP" PERFORMANCE INDICATORS

Group Management assesses the Group's economic and financial performance using certain alternative performance indicators that are not required of defined under IFRS, as described below:

Indicator	Description	2025	2024
EBIT	Profit before taxes and financial income (expenses).	€ 31.2 million	€ (20) million
Adjusted EBITA	EBIT net of: • Impairment on goodwill and technology; • Depreciation on allocations from PPA; • Restructuring charges; • Other non-recurring charges/income.	€ 84 million	€ 45.4 million
Adjusted EBITA	EBITA Adjusted net of depreciation and amortization.	€ 139.6 million	€ 99.9 million
Free Operating Cash Flow (FOCF)	Cash flow from operating and investment activities, net of "strategic investments".	€ 223.2 million	€ (44.5) million
Funds From Operations (FFO)	Cash flow of operating operations net of changes in working capital.	€ 150.9 million	€ 143.6 million
Working capital	Trade receivables and payables, Work-in-progress and advances.	€ (174.4) million	€ (65.3) million
Net working capital	Working capital net of risk funds and other current assets and liabilities.	€ (347.5) million	€ (229.2) million
Net invested capital	Net working capital and algebraic sum of non-current assets and liabilities.	€ 768.4 million	€ 894.1 million
Orders	The sum of contracts with the customers signed during the fiscal year.	€ 2,296 million	€ 1,793 million
Order Portfolio	Difference between orders acquired as of financial statement date and progress billings.	€ 5,500 million	€ 4,437 million
Return On Sales (ROS)	Ratio of EBITA Adj. and revenues.	6.81%	4.07%
Return On Investments (ROI)	Ratio of EBITA Adj. and average capital invested over the two years.	10.10%	4.95%
Headcount/Average headcount	Number of employees by financial statement date. Average number of employees in the year.	3,478 3,321	3,244 3,204

GOING CONCERN

In 2025, the Group recorded a significant growth in its *order Intake* with a 40% increase compared to the figures forecast in the 2025 budget included in the previous 2025-2029 Industrial Business Plan and a strong increase compared to the performance recorded in the previous financial year.

This performance, supported by the positive contribution of all business lines, but in particular by the *New Unit* segment, provides strong visibility on multi-year revenues, contributing to the generation of positive operating cash flows, primarily driven by the Service segment. Over the last three years, in fact, the Group has initiated a gradual transformation process of its order portfolio within the *New Unit* segment, favouring the adoption of contractual structures characterized by lower risk profile, through a greater focus on turbines supply contracts instead of EPC turnkey formulas. This strategic choice, together with an important growth in the gas turbines market, has strengthened overall margins and the consolidated Group's ability to operate in line with economic and operational expectations. At the same time, it has supported the structural growth of the *Service* segment, which continues to represent an element of stability and profitability for the whole Group.

The *Nuclear segment* has consolidated and expanded the growth path started in 2024, within a European context where nuclear power plays an increasingly central role in ensuring energy security and supporting decarbonization objectives.

The forward-looking financial analysis included in the guidelines for the Group's 2026-2030 Industrial Business Plan, approved by the Board of Directors on January 29 2026, and which will be included in the Group's 2026-2030 Industrial Business Plan scheduled for approval by the Board of Directors on March 18 2026, continues to show the progressive strengthening of the Group's liquidity position and financial flexibility. This trend is supported both by the 2025 operating results and by the prospective outlook, confirming solid and sustainable growth, as well as the continued reduction in financial debt and related charges, also due to the decrease in the spread applied by banks in relation to outstanding loans, made possible by the improvement of the *Leverage Ratio*. In addition, during the 2025 financial year, the current portion of the Revolving Credit Facility (RCF) was fully reimbursed for Euro 110 million and, therefore, as of 31 December 2025, it is fully available for the full amount to Euro 150 million.

To further contain the Group's exposure to liquidity risk, *operating cash flow* recorded a particularly positive performance during the year, also supported by the significant contribution of advances received on new orders acquired during the year.

In addition, during 2025, the Group collected approximately Euro 86 million from its shareholder Cassa Depositi e Prestiti, mainly in connection to tax losses transferred under the consolidated tax agreement, also following the positive outcome of the ruling request on the deductibility of losses on positions relating to foreign projects from previous financial years.

The additional tax income recognized in the financial statement as of 31 December 2025, largely attributable to the residual portion of the aforementioned tax ruling, is expected to be monetized by the end of 2026, for an amount of approximately 30 million Euro.

Based on the elements described above, it is noted that, at the date of this document, the Ansaldo Energia Group has fully complied with all contractual *covenants* as of 31 December 2025. It should also be noted that the Group's net financial position, calculated for covenant purposes according to the criteria set out in the financing agreements, is positive on the same date.

On the basis of forward-looking data for the next twelve months, the Group is expected to remain in compliance with its financial *covenants,* notwithstanding the application of more stringent parameters becoming applicable in the coming years.

The positive net result achieved during the 2025 financial year was characterized by extra-ordinary/non-recurring provisions and charges, related to additional interventions required for the consolidation of a new product technology, introduced since 2023, which were offset by the aforementioned tax benefits.

In light of the above, the Directors note that uncertainties regarding future developments may relate to:

- the possible emergence of any additional contract costs not currently envisaged connected to the consolidation of the new technologies introduced on the market and the consequent stabilization of the product in the coming financial years;
- the risks arising from the current macro-economic and geopolitical environment, which is currently affected by the escalation of the recent conflict involving, since the end of February 2026, the United States, Israel and Iran, and which, in the absence of complete and reliable information, does not currently allow a full assessment of potential impacts;

Subject to any impacts of the geopolitical crisis that are not currently foreseeable, the Directors, in the light of the quantitative and qualitative elements and of the operating performance described above, considering the prospective economic and financial evolution of the business, together with the Group's financial structure which shows continuously improving sustainability profiles, believe that the aforementioned uncertainties are not significant and, in any event, are not such as to cast significant doubt on the Group's ability to continue as going concern and to meet its financial obligations for the twelve months from the date of approval of the financial statements.

BUSINESS PERFORMANCE

New Units

2025 represents a turning point for the Group, marking the implementation of the new strategy that has led to the focus of the *core business* of sales and production of machines, while maintaining a targeted use of EPC skills for selected opportunities and as support to *partners*.

The division has returned to generating positive operating margin and significant cash flows in accordance with the assumption of the industrial business plan.

Production activities have focused mainly on manufacturing and deliveries for foreign markets, both European and non-European, resulting in an increased export share while maintaining a limited presence in the domestic market.

The main achievements in the different geographical areas are summarized below.

Europe

Italy

Regarding contracts for the supply of power stations equipped with the GT36 class H turbines, important achievements were achieved during 2025:

- commercial operation of the unit at the EP Produzione site in Tavazzano (April 2025);
- commercial operation of the Enel site in Fusina (August 2025).

In both cases, the performance of GT36 and its cycles exceeded expectations, with high level of customer satisfaction.

In addition, activities have commenced under the new contract with Terna for the turnkey supply of five synchronous condensers aimed at rephasing and stabilizing the national electricity grid.

Germany

For the German projects relating to the construction of two plants with GT36 technology, the preliminary engineering activities necessary to obtain the authorizations of the first site have been completed and the second phase, dedicated to defining the "long lead items", has been started.

Ireland

For the Poolbeg project, the supply of the AE94.3A turbine and its generator was completed and delivered on site in November. Support for assembly activities continues in collaboration with the EPC partner.

Engineering and production activities are also underway for two additional AE94.3A units destined for the Tarbert and Kilshane sites, with delivery scheduled for the second half of 2026.

Middle East

United Arab Emirates

The Al Dhafra project represents a strategic initiative for the Country, as it will provide power energy to the first *data center* dedicated to AI in the Emirates. The project strengthens collaboration with our partners and local customers;

- the first AE94.3A unit and generator have already been delivered;
- the remaining three units are under construction, with and are expected to be delivered expected in the first half of 2026.

Asia

China

The supply of parts and spare parts for AE94.3A and AE64.3A gas turbines continues, with significant volumes for the local market.

Bangladesh

On the Rupsha project, the technical assistance activities for the assembly and start-up of the two GT26 continue, albeit even with delays due to limited fuel availability for hot commissioning;

- unit 1 is currently undergoing *hot commissioning;*
- assembly activities of unit 2 are being completed (by our partner). Meanwhile, cold *commissioning* operations have commenced on various systems.

Azerbaijan

The Mingachevir project entered full commercial operation in May 2025 and was officially inaugurated in June, with the achievement of the PAC (Provisional Acceptance Certificate) for all four AE94.3A units.

With an installed capacity of 1,880 MW, the plant accounts for approximately 20% of the Country's installed capacity and is currently the most important power generation facility in the Country.

Kazakhstan

Both AE94.2 gas turbines and their generators were delivered for the Almaty project (in June and August 2025 respectively). The activities to support for the installation of the first unit will continue into 2026.

Despite the complex geopolitical context, the global gas turbines market experienced strong growth in 2025, driven mainly by the 60 Hz markets (particularly North America and Saudi Arabia). This trend also affected the availability of gas turbines in the 50 Hz segment, where Ansaldo Energia operates.

Although 50 Hz market for medium and large turbines remained substantially stable compared to 2024, Ansaldo Energia improved its performance, further increasing its market share in this segment.

Traditional markets (Europe, the Middle East and North Africa) and new target markets in Asia have continued to generate opportunities, with an overall *pipeline* now exceeding 45 GW for the next two years, forming the basis for the company's future growth.

Among the main commercial successes, the following are highlighted:

Europe

- Acquisition of new orders for two F-Class gas turbines for open-cycle plants in Ireland, confirming the leadership position of AE94.3A in this segment.
- Two major projects were awarded in Hungary for the construction of large combined-cycles plants based on GT26 technology, selected for its high performance and operational flexibility.
- A new synchronous compensator in the UK, strengthening the company's presence in solutions for the stabilization of the electricity grid.

With specific focus on **Italy,** the following is noted.

- Pre-allocation of two last generation GT36 gas turbines, with the relative collection of the *reservation fee* for blocking the productive slots.
- The reservation of two gas turbines of technology E (model AE94.2), was also confirmed for the domestic market, with the collection of the relative *reservation fee*.

Middle East and Asia

- A new supply to Iraq for an electric generator, marking the company's return after more than twenty years in the Country.
- Awarded the supply of a large gas turbines and its generator for a Chinese EPC, confirming the competitiveness of the Ansaldo Energia offer in the Asian market.
- In addition, the partnership with Shanghai Electric Corp continues both for the supply of hot parts on the Chinese market and for complete EPC opportunities in the Asian area.

More precisely, the total value number of New Unit orders acquired in 2025 amounted to 1,107 million Euro compared to 509 million Euro in 2024, distributed by geographical area as follows:

Euro/thousand	2025	2024
ITALY	140	163
EUROPE AND CIS*	848	74
MIDDLE EAST	10	209
AFRICA	-	1
ASIA	109	62
AMERICA	-	-
OCEANIA	-	-
TOTAL	**1,107**	**509**

**CIS Commonwealth of Independent States*

Service

In 2025, the Service activities of the Ansaldo Energia S.p.A. Group were affected by the conflicts in Ukraine and the Middle East and by the global difficulties in the *supply chain*, especially for the critical materials of gas turbines. Export restrictions to Russia, which culminated in the last sanctions package effective since October 2025, have further complicated the environment.

Despite materials availabilities delays, the Company/Group mitigated impacts through optimizing component allocation, revising inspection plans, and implementing operational adjustments. A high level of customer satisfaction was maintained.

The Field Service activities remained sustained and OSHA safety objectives were achieved, with a reduction in the severity of incidents.

The Service organization has worked closely with the New Units division, especially on F-Class and H-Class projects, promoting field training in view of long-term service agreements.

Cost reduction and margin improvement initiatives continued within the Ansaldo Value Creation program.

In 2025, Service order intake exceeded their budget expectation. Demand was supported by the growing need for reliable and *low-carbon* energy solutions, the global expansion of data centers, and the agreement signed in July 2025 between Ansaldo Energia Switzerland (AES) and the Bundesamt für Energie (BFE) for the reactivation of the Birr power plant as a winter thermal reserve.

Europe

The European market continued to drive Service activities. Strong demand for turbines maintenance, fleet upgrades and efficiency improvement programs sustained strong order growth.

Key projects include long-term orders for GT36 and gas turbines AE94 in Italy, Ireland and the United Kingdom, with a strong focus on *hydrogen-ready* and *low-carbon* technologies, as well as the BIRR contract signed by AES.

Middle East and Africa

Despite geopolitical tensions and supply chain challenges, the Company secured new orders in the United Arab Emirates, Azerbaijan and Egypt.

The Collaboration with New Units has ensured timely *commissioning* and maintenance of combined cycle plants and gas turbines, maintaining high levels of operational excellence and customer satisfaction.

CIS

The CIS region was negatively impacted by the EU's 18th sanctions package, issued in July 2025, which resulted in the temporary suspension of gas turbines spare parts exports and service activities in the Russian Federation and Belarus.

Consequently, existing orders managed by Ansaldo Energia S.p.A. were frozen and new Service orders already in *pipeline*, amounting to over Euro 80 million, could not be finalized.

Asia

Service activities in China have been consolidated through a partnership with Shanghai Electric Corporation.

Emerging markets in Southeast Asia have also contributed to order growth, supported by enhanced supply chain integration and local partnerships.

Americas

Modernization of thermal fleets and the adoption of digitized maintenance solutions increased growth in orders in North and South America.

Fleet *upgrades*, performance improvement packages and emergency maintenance services have strengthened the Company's market presence.

In conclusion, in 2025, the Service business activities of Ansaldo Energia demonstrated great resilience, consolidating the Company's presence in Europe, the Middle East, Asia and the Americas.

The strong gas turbines market, also driven by the global growth of *data centers*, significantly contributed to the Group's success.

The Service organization remained stable, with targeted improvements in commercial, engineering and operational areas.

Interest in technological *upgrades* aimed at reducing emissions and enabling future hydrogen combustion to increase. Efficiency, operational flexibility and fuel adaptability have become priorities for ensuring plant reliability.

The organization has also reviewed its medium-term strategic growth, integrating them into the *Corporate Value Creation Program*.

More precisely, the total of Service orders acquired in 2025 amounted to Euro 1,095 million compared to Euro 736 million in 2024, distributed by the following geographical area:

Euro/thousand	2025	2024
ITALY	162	255
EUROPE AND CIS*	536	253
MIDDLE EAST	235	77
AFRICA	100	41
ASIA	31	87
AMERICA	19	21
OCEANIA	12	2
TOTAL	**1,095**	**736**

**CIS Commonwealth of Independent States*

Nuclear

In 2025, Ansaldo Nucleare consolidated and expanded the growth trajectory initiated in 2024, within a European context where nuclear power is playing an increasingly central role in ensuring energy security and decarbonization. The company strengthened its position, primarily thanks to projects in Romania: Cernavoda program, and in particular the Plant Life Extension of Unit 1, was the main cash generator of the year, while activities on Units 3 and 4 continued under the EPCM contract.

In parallel, the replacement of systems at the Krsko power plant was successfully completed. However, the economic result of the year was adversely affected by difficulties encountered on the TB13 ITER project.

In Italy, 2025 marked an important milestone in decommissioning with the award of the supply of the orders CONTAS containers, the first product developed internally and now usable as a reference. Discussions on the Trino Wet Oxidation project also resumed.

From a strategic perspective, the company made significant progress in the Small and Advanced Modular Reactors, thanks to the new European PINC and participation in key initiatives. In particular, 2025 saw the AMW consortium (Ansaldo, Mangiarotti, Walter Tosto) complete the second European sector of the Vacuum Vessel for ITER, the largest international nuclear fusion experiment.

Furthermore, in June, the EAGLES Consortium agreement was signed, bringing together Ansaldo Nucleare, ENEA, RATEN and SCK CEN, with the aim of developing and marketing a new generation-cooled Small Modular Reactor (SMR).

In parallel, the launch process of the new company Nuclitalia, jointly owned by Enel, Ansaldo Energia and Leonardo, dedicated to the research of next-generation nuclear technologies with a focus on SMRs, continued. Ansaldo is actively involved in technical coordination and the secondment of eight highly specialized professionals,2025 was also a year of significant organizational expansion: approximately 70 new resources were recruited to support growth, strengthen technical and project management functions and opening new international specialist hubs.

Finally, the UK subsidiary Ansaldo Nuclear Ltd recorded an increase in revenues in 2025 compared to 2024, thanks to an order volume exceeding the average for the three-year period 2021–2023. In particular, orders totaling Euro 61 million were acquired in 2025, with significant growth in the defense (Amentum and Mensa) and *waste/decommissioning* (PPP SRP Gloveboxes) sectors.

More precisely, the total order intake for the nuclear business line acquired in 2025 and concentrated in the "Europe" geographical area amounted to Euro 89 million compared to Euro 546 million in 2024. However, the 2024 figure was strongly influenced by exceptional acquisitions related to contracts such as the design of Units 3 & 4 and the Plant Life Extension contract for Unit 1 of the Cernavoda plant in Romania

Green Tech

During 2025, the Company achieved significant progress both on the technological and industrial and commercial fronts, consolidating its role in the Group's energy transition pathway and strategy. With reference to AEM technology for hydrogen production, important design advancements were achieved with the NEMESI program: the second report was submitted, and tests and key procurements for stacks of 250 and 4,000 square inches were completed.

From a commercial perspective, the Company acquired orders worth approximately Euro 5.45 million, including electrolysis and microturbines.

Within the IPCEI–IANUS project the first two progress reports were submitted, construction works for the test facility commenced, the first commercial container stack was delivered and the activities started for the 300 MW production line were initiated.

With regard to microturbines, the POS-ERDF project continued, although the new generator is expected to be available by mid-2026.

Manufacturing

For Ansaldo Energia, 2025 was a year of strong operational recovery, with a clear improvement over the difficulties of previous years. The power generation market showed positive signs, and orders have increased across all *business units*.

Manufacturing activities recorded increased production compared to 2024, supported by new investments, recruitment, and active involvement of the *supply chain*.

In 2025, the Genoa plant increased production volumes and launched the capacity growth plan for 2026 and 2027.

During the year, 5 alternators (compared to 3 in 2024) and 4 gas turbines (compared to 3 in 2024) were manufactured and delivered. Service support activities also increased, with a 25% rise in the number of gas turbines rotors overhauled at the Plant.

To support this expansion, 45 new employees have been hired, mainly in the mechanical processing activities.

Overall efficiency has improved by 5% compared to 2024, thanks to reduced failures and more effective maintenance management, with dedicated resources allocated to the most intensive resource areas.

Engineering

Support and commissioning

- Continuous technical support has been provided to improve the reliability and availability of the Marghera, Presenzano, Minhang and Tavazzano power plants (all with GT36 and THR1265 generators). RT30 steam turbines with TRX/Y-L56 generators are also installed in the Italian sites. Operational analyses enabled the identification of improvements to be implemented on new units.
- Fusina (Enel) power plant was commissioned with GT36 in combined cycle, THR1265 generator and RT30 steam turbines with TRY-L56 generator.
- Commissioning works of the Mingachevir power plant (Azerbaijan), equipped with 4 AE94.3A units and TRYL63 generators, have been completed. The first turbines entered service in December 2024; the power plant obtained the Provisional Acceptance Certificate (PAC) for the last unit in May 2025.
- Support was provided for the commissioning of the latest generation gas turbines GT26 at the Rupsha plant (Bangladesh). Synchronization of the first turbogroup took place in November 2025.

Synchronous compensators

- The Replacement of flywheels on Terna compensators continues with new-generation models equipped with labyrinth seals and brushes.
- A new version of the flywheel with inertia of more than 3,600 MWs has been developed, achieved through a welded structure allowing modular and customizable configurations.
- The Necton project, the first international contract for a high-inertia synchronous compensator (3,600 MWs, TRY-L63 with welded flywheel), has been launched. Engineering and supply chain phases are ongoing.

Projects AE943 / AE94.2

- Completed engineering and supplies for the Poolbeg (Ireland) and Al Dhafra (UAE) plants, equipped with AE94.3 and TRY-L63, have been completed; on-site installation activities have commenced.
- Engineering has started for the Tarbert and Kilshane plants, equipped with AE94.3A and TRY-L63 (single fuel HVO and dual fuel gas/diesel respectively).
- Completed engineering and procurement for the two AE94.2 units (with WY21Z097 generators) at the Almaty plant (Kazakhstan) have been completed; assembly activities are currently underway.

Development of steam turbines

- Based on the results from GT36 plants (Marghera, Presenzano, Tavazzano, Fusina), an update has been developed that further improves the performance of steam turbines (600°C, high flexibility). New high and medium pressure modules have been produced, already offered and planned for use in the Matra and Tisza projects.

GT36 hydrogen projects

- Completed the pre-engineering activities for the permitting purpose for the Weisweiler and Gersteinwerk projects (Germany), which involve operation with 100% hydrogen. Detail design projects have been developed for steam units. The combined cycle configurations are expected to play a key role in ensuring grid stability.

Service support – Steam Turbines

- Modification projects were carried out for steam turbines at:
  - Sansevero (new HP section and LP modification).
  - Mejillones, Chile (new HP section).
- The design for replacing and modifying of the IP's Millmerran turbines (Australia) has been defined.
- The project for the replacement of the rotor of the Dieng geothermal turbine (Indonesia), including the engineering activities of the stator winding of the generator, has begun.

Investments

In 2025, investments were primarily focused from a technological perspective, on the implementation of new machine tools necessary to support the production needs of the gas turbines product line; from a safety perspective, investments were directed towards the renewal of plants and the improvement of efficiency and safety in working environments.

Significant investments were made in the blade line and on the turbines line, with the acquisition of machinery and equipment capable of increasing the internal production capacity and ensuring ever higher levels of precision, thereby supporting a constant improvement in product and process quality. Additionally, extraordinary maintenance was carried out on machine tools.

Another area of intervention concerned the acquisition of equipment to be used on site, both for performing specific operations on gas turbines and for conducting necessary technical inspections, contributing to improved safety and operational efficiency at construction sites.

Important investments have also been directed towards acquiring specific equipment for raw materials processing, mechanical processing, and special processes supporting the *supply chain*, both for GT technology and to Ansaldo's traditional technologies.

In 2025, technological *upgrading* projects were launched in the ICT area, together with the expansion and replacement of equipment necessary for Research and Development activities.

RESEARCH AND DEVELOPMENT ACTIVITIES

The primary objective of the Ansaldo Energia Research and Development program is to develop solutions aimed to upgrading and optimizing its products. These solutions are designed to improve the efficiency and power of gas turbines, increase operational flexibility, expand the capability to use hydrogen and fuel oil, and reduce hardware and operating costs while maintaining high levels of reliability and availability.

Class H turbines – GT36

In 2025, five GT36 units continued their business (Marghera, Minhang, Presenzano, Tavazzano and Fusina), enabling further product validation and continuous improvement based on operational experience.

Development of the *dual fuel* version (gas and diesel) was initiated; the first tests at the DLR center in Colonia have yielded positive results.

The EVO evolution program has successfully passed the Basic Design Review. The main activities include:

- Compressor and turbines improvements, with new cooling systems;
- reduction of combustion pulsations and emissions;
- upgrading of the fuel system for mixtures containing up to 50% hydrogen;
- new thermal coatings to enhance performance and component lifetime.

Activities also continue to reduce the costs of the GT36 platform and to extend the lifetime of the components of the hot gas path, along with the reconditioning of various combustor and turbines elements.

Class F turbines AE94.3A

At the Mingachevir site (Azerbaijan), validation activities commenced in the first quarter of 2025, with a dedicated test plan to verify the behaviour of the new components and expand the machine operating profile. Testing activities, carried out together with the *hot commissioning*, were successfully completed with the start-up of commercial operation, in accordance with the other three units commissioned subsequently.

Data analyses confirmed results that were in line with expectations. Full validation is expected to be completed with the final *Design Review* in 2026.

During 2025, qualifications of the components of the *Service Airflex* upgrade, for the AE94.3A fleet were also completed (4). All the technical verifications were carried out and the instrumentation required for validation was prepared.

A first development phase was also completed to reduce NOx emissions and improve hydrogen combustion on the AE94.3A platform. A bench test campaign on several burner prototypes has enabled the selection of the most promising solutions, which will be tested under high pressure conditions in 2026, simulating the real turbine operating conditions.

GT26 class F turbines

Ansaldo Energia continued to improve the GT26 platform, developing a new upgrade aimed at increasing power and efficiency and reducing costs.

The first upgraded GT26 entered *hot commissioning* in the last quarter of 2025.

In 2025, the *Validation Review* of the MXL3 *upgrade* was successfully completed, this upgrade has been in service since 2023.

A new grid recovery *concept (black start)* has also been developed to allow the GT26 to re-energise a de-energised grid. The first tests confirmed technical feasibility, with further developments planned for 2026.

To increase service life and reliability, improvements were designed for the exhaust gas diffuser and the exhaust gas housing, which will be offered as an upgrade Service. The design will be completed in 2026, followed by *Design Review* and start of production.

Development of new technologies across the complete Ansaldo Energia product portfolio

New Product Technologies activities cover the entire Ansaldo Energia turbine range. The aim is to develop new solutions for compressor, combustor, turbine, materials and coatings, in order to improve the performance of future engines.

In 2025, activities focused in particular on the GT36 CPSC combustion system, with the aim of enabling operation with any blend of hydrogen and natural gas, while maintaining performance and emissions within targets limits.

Within the FLEX4H2 project both atmospheric and high-pressure test were carried out. The 2025 tests demonstrated the operation at 100% hydrogen at full load, confirming also the reduction of the *flashback* risk and validating the improvements of the combustor. The optimizations will be integrated into the next restoration of *hardware*, scheduled for testing in 2026.

New advanced thermal coatings, which are more resistant to high temperatures and erosion, have also been developed and tested, and are now being transferred to product development.

INTELLECTUAL PROPERTY RIGHTS 2025

Ansaldo Energia's IP assets for the year 2025 consist of 1,954 proprietary patents (Ansaldo Energia S.p.A. and its subsidiaries) and 282 trademark.

During the year, 13 new patent applications were filed.

Ongoing portfolio review activities led to the abandonment of some IP titles approaching expiry over the next three years and to the focus on the strategic territories for the Group's *business*.

A total of 20 specific IP analyzers were carried out to support *business* development strategies, for the identification of opportunities for widening and diversification of the product offer, through application of proprietary and commercial *software* based on semantic analysis of patent texts and *data mining techniques*.

In addition, 191 practices were managed in the "technology transfer" area, in particular: 95 *Non Disclosure Agreements (NDA), 22 Agreement,* *7 transmittal and 67 IP support activities*.

An IP-based training program was launched involving around 100 employees in order to increase the IP CULTURE in the company and provide the basic knowledge for distributed protection of company know-how.

The company has obtained a tax benefit through its adherence to the so-called "patent box" regime that offers tax incentives to companies that own and exploit patents and other forms of intellectual property.

HUMAN RESOURCES

The main objective of the activities developed during 2025 was to achieve what was foreseen under the previous industrial business plan. The guidelines for the main activities, confirmed also for 2025, were characterized by:

- a growing focus on the traditional business of Power Generation (Turbogas), accompanied by interventions aimed at consolidating internal production on core activities, increasing production capacity;
- further development of *Service* activities, supported also by the continuous support of internal production functions.
- consolidation of the strategic nature of the "Nuclear" *business* with consequent plan for the development of Engineering and Site activities;
- development and implementation of a first pilot production line for the realization of "Electrolyzers".

In a context characterised by a progressive improvement in the overall business environment and the consolidation of medium- to long-term growth prospects, the Company continued its reorganization process started in 2024. This path has favoured the integration of new professionalism through the stabilization of resources already presents with administration contracts and through the recruitment of technical-specialist profiles, mainly in the following areas: Manufacturing and Supply Chain, Service, Product and Plant Engineering, Project Management and R&D.

With particular reference to the manufacturing activities, the strengthening of the technical-specialist skills in the lines of the Genoa plant was also pursued through the organization of Training Courses aimed at the training and insertion of new Machine Tool Operators and Electromechanical assemblers.

In addition, at the beginning of 2025 a training course was completed which led to the introduction of new Service site Technicians.

Within the Operations function, a 24-month onboarding program dedicated to newly graduates professional in scientific disciplines has been successfully tested, structured with a *Job rotation* model between different organizational areas (Supply Chain, Manufacturing Engineering, Planning and Quality Control), with the aim of developing transversal skills and promoting the excellence of processes.

Particular effort was devoted to strengthening the skills and workforce of Ansaldo Nucleare across its various Functions.

During the year, a Corporate Master in "Technologies for Nuclear Power Plant" was designed and launched in collaboration with the Politecnico di Milano, dedicated to 26 employees of Ansaldo Nucleare.

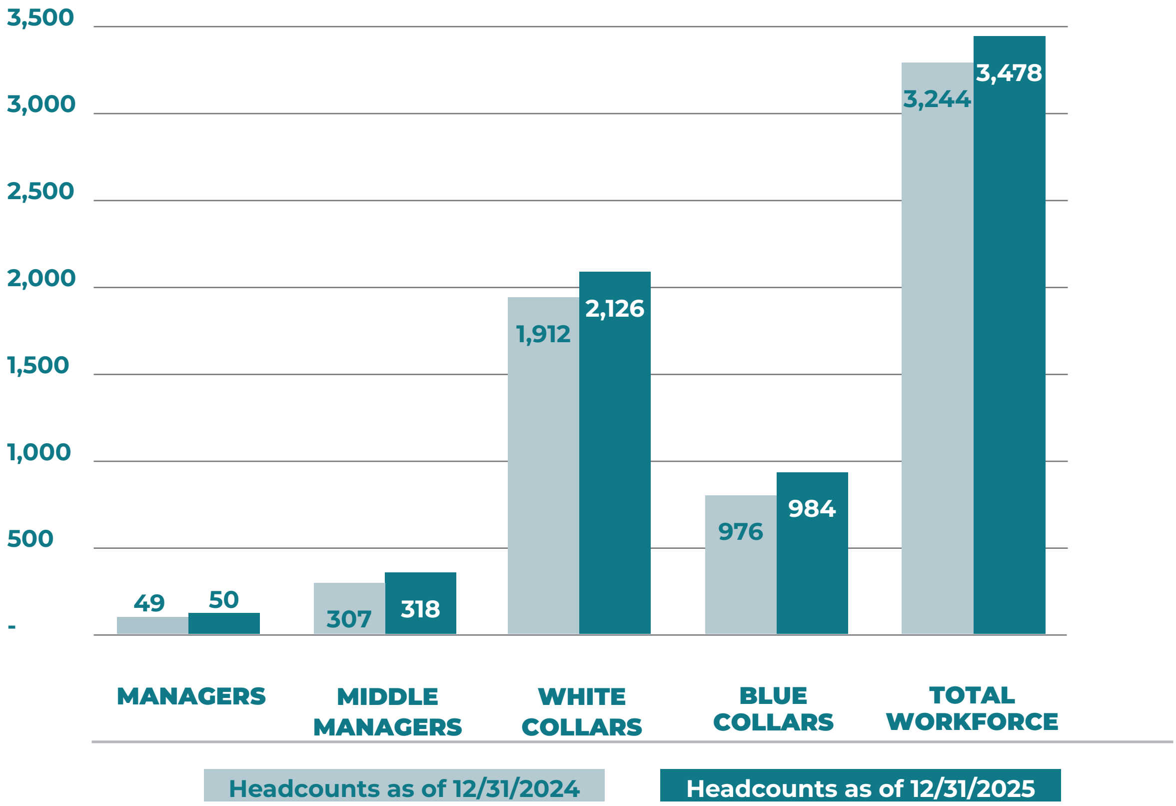
The Master's program involves graduates in Engineering and Physics from various Italian universities, lecturers from the company and leading Italian technical faculties engaged in nuclear technological research, as well as numerous industry experts. The program combines academic and professional training, aiming to strengthen internal competences, support the development of the Italian nuclear supply chain, and consolidate a critical body of know-how fundamental for the sector's relaunch and innovation phase.

For Ansaldo Green Tech, the attention was on the recruitment and integration of highly specialized personnel, also through the collaboration with the polytechnic schools. The development of the pilot production line required the hiring and training of operators specialized in the assembly and construction of electrolyzer *stacks*.

Regarding to internal mobility processes, intragroup initiatives aimed at covering critical needs and creating opportunities for change, professional growth and skills integration have continued.

As the overall situation of the Group continued to improve, a considerable reduction in the voluntary staff turnover was recorded, reducing this phenomenon to ordinary turnover levels.

At year end 2025 Group's workforce amounted to 3,478 employees.



Staff training

During 2025, the Group reaffirmed its commitment to skills development, investing significantly in employee training. Overall, almost 38,000 training hours was delivered, of which about 30,000 hours in Italian companies and 8,000 hours in foreign subsidiaries, involving all segments of the workforce.

The training offers prioritized technical-specialist and managerial courses, while also addressing language and IT skills.

Among the most significant initiatives was the organization of three training courses dedicated to unemployed individuals, funded through temporary employment agency resources and aimed at strengthening the technical-specialist skills of the Genoa Manufacturing Plant. These programs included a selection process to identify the most suitable candidates for the classes and comprised a structured curriculum alternating 250 hours of theoretical classroom training with 250 hours of practical workshop training, adopting an integrated learning approach.

The organization of the master's course dedicated to Ansaldo Nucleare was also noteworthy. This required a motivational and technical selection process and featured a comprehensive 1,500-hours program, divided between classroom lessons, project work activities and individual study.

A further strategic area was that of *Functional Safety*. In accordance with the Functional Safety Management System (IEC 61511/61508), two specific courses were designed in 2025, attended by approximately 80 employees from all engineering areas. The initiative aimed to certify and define the roles, responsibilities and competences of the *Functional Safety Manager* and the *Functional Safety Specialist*, key figures in managing safety requirements.

Continuing previous years' efforts, the Group maintained its commitment to developing *soft skills* through targeted and differentiated training paths tailored to the specific employee groups involved, ranging from recently appointed managers to new supervisors. A variety of modern methodologies were adopted, including coaching, soft skills assessment and interactive learning approaches, designed to foster self-awareness, relational effectiveness and managerial growth

Finally, the Group's ongoing focus on Health and Safety in the workplace was confirmed. In 2025, dedicated training initiatives accounted for a significant share of the total, with 11,505 hours delivered within Italian companies, representing almost 40% of the total annual training hours.

Customer Training

In 2025, there was an intense training activity also in support of customers was carried out In particular, the following programs have been developed:

- ENEL Customer Training – Fusina Power Station (VE): completed the second session of the GT36 turbines course, delivered directly at the Fusina site; the route has detailed technical and operational aspects related to the turbines' conduction and maintenance, with a specific focus on operating best practices.
- CEPC Customer Training – 6th October Power Station (Egypt: two separate training courses were conducted in parallel at the training school:
  - course for management, focused on management, strategic aspects and optimization of plant performance;
  - course for technical personnel, oriented to operational training and familiarization with the control system and the protection system.
- Training for the AZERENERJI customer – Mingachevir Central Station (Azerbaijan): Realized an on-site training program of five weeks, addressed to O&M staff; the course has alternated theoretical and practical sessions, with insights on safety, operating procedures and maintenance activities.
- Customer Training EDEPC – Central Station of West Damietta (Egypt): delivered an on-the-job training course, also on-site and lasting five weeks, aimed at maintenance personnel.

SUSTAINABILITY

During 2025, the Company continued its path towards an increasingly structured and transparent sustainability report. In continuity with the initiatives launched in the previous year the 2024 Sustainability Report prepared and published, in accordance with the GRI Standards and referred to the perimeter of the Consolidated Group.

At the same time, a "pilot" sustainability report based on the ESRS standards was developed, in accordance with the requirements of the European directive CSRD, which will apply to the Group starting from the 2027 financial year. The Sustainability *team* has also ensured continuous support to the various business functions for all requests related to ESG qualifications, sustainability assessments and related activities.

ENVIRONMENT

The Italian sites of Ansaldo Energia fall within the scope of the D.P.R. of March 13, 2013, No. 59 (AUA - Autorizzazione Unica Ambientale) as well as "Emission Trading" directive, due to presence of boilers for the heating of the district of Via Lorenzi, however begin in the category of "small emitters".

Significant environmental aspects

During 2025, no environmental aspects were identified under normal operating conditions, with an impact risk level, exceeding the tolerance limits in any of the permanent sites of the Group and its subsidiaries, both Italian and abroad.

Each site has a dedicated environmental structure, engaged in continuous monitoring and maintenance of the correct operating conditions necessary to ensure full compliance with the authorization requirements. They also maintain the management of changes arising both from production needs and from the evolution of the regulatory framework.

The hydrogeological risk that characterizes the area in which the Via Lorenzi plant in Genoa is located remains relevant, historically exposed to possible flooding events during heavy rainfall. In 2025, no weather events occurred that caused significant critical issues.

The organization has established consolidated procedures for control, containment, intervention and restoration, which have so far enabled the prevention of phenomena with significant environmental impacts and minimized downtime for the resumption of normal operations.

Regarding the management of waste produced in production plants and in the warehouses of Genoese sites, a particularly significant aspect concerns the handling of bulky waste, such as decommissioned components or large equipment intended for disposal. To this end, an area has been identified to be equipped as a dedicated temporary storage facility, which will reconcile the need to remove recoverable assets with the time required to maximize their economic value through their alienation. The construction of this area is planned for the first half of 2026.

Certification, regulatory Compliance and Environmental Management

During the year, Ansaldo Energia Group received no environmental prescription or sanction, nor were reports received from third parties concerning environmental aspects at any of the Company's sites and its subsidiaries, both in Italy and abroad.

The internal audit plan, which involved production facilities and construction sites, both in *service* and in new construction, has been successfully completed. The audits did not reveal any major criticalities, but only room for improvement, in particular concerning the way in which waste is transferred by users. At construction sites, the main aspects that could be improved were waste management, in particular in the final stages of the closure of the activities.

In November, the audit of ISO 14001 Certification by Rina S.p.A. Certification Institution was successfully passed by the Group. The multi-site certification, covering the Thermal Power and Renewable Energy sectors, was confirmed without any non-compliance.

The annual monitoring and control plan for emissions into the atmosphere and active discharges was carried out according to the planned deadlines, confirming full compliance with the prescribed limits at all the sites of the Group. In addition, all requests to update environmental authorizations – submitted to adapt existing authorizations to changes in operational processes – have been regularly approved by the relevant authorities.

In the first half of 2025, the annual certification processes for the previous year's CO_2 emissions data were also successfully completed.

In 2025, over 3,400,000 kg of waste was produced at the three permanent sites in Genoa. The Environment Office manages the entire cycle: from internal collection in the three plants, to correct transport and disposal or recovery through authorized operators.

Over 2,200 waste loading and unloading transaction were managed during the year, ensuring traceability, regulatory compliance and operational continuity.

Environmental initiatives

After the success of the "Green Operations" environmental training delivered in 2023 to the personnel of the production departments of the Turbines Line and the Generator Line of the Company plant, in 2025 the initiative was extended to the Blade Line. In this new phase, the program envisaged a wider application than the previous edition, consolidating an effective *bottom-up* approach model to the operational management of environmental aspects and the timely collection of data.

The initiative led to the definition of a first dashboard of environmental KPIs specific to the operational area, entrusted to the direct management of the line manager.

During the last four months of 2025, the project was further extended, in its integrated version, to a first area of the generator line, the Electromechanical Assembly Department (Cost). In 2026 the commissioning is planned for all the departments of the generator line and the subsequent application to the Turbines Line.

In 2025, the Environment Office also launched and coordinated two management efficiency initiatives at the Parent Company's plant, covering Facility activities with environmental and occupational health and safety impacts:

- an integrated, organic management and analytical control plan for cooling emulsions, applied to all facility operating machines;
- a program of testing and progressive substitution of dangerous substances with "green" products *(VOC* reduced or *VOC free)*, not dangerous or characterized by significantly reduced danger, used in specific production activities.

During the year, the Environment Office also coordinated the creation of a new automatic system for emergency, signalling and containment of possible accidental spills coming from the rotor test cell of the Generator Line.

In view of the scale and complexity of the environmental aspects connected with the activities carried out at the various sites, and in the light of the introduction of new indicators for the assessment of environmental, social and economic sustainability, the organization continues its commitment to strengthening and integrating data collection and management systems.

Also in 2025, all Local Environmental Units were involved in the preparation and supply of the elements necessary for the annual reporting of the Environmental Sustainability Report, guaranteeing the quality, accuracy and traceability of the information.

Hydrogen activity

In the second half of 2025, the subsidiary Ansaldo Green Tech started the activities of the new stack assembly line for AEM electrolyzers at the Via Lorenzi site in Genoa.

In December 2025, the request for authorization was also submitted for the activation of the new high-volume line, dedicated to semi-automated production of stacks. The Environment Office has supported, as far as it is concerned, the design activities of the new line.

OCCUPATIONAL HEALTH AND SAFETY

During 2025, Ansaldo Energia has carried out numerous initiatives that have allowed to further raise the standards of safety at work and to obtain again the ISO 45001 certification in a multi-site way, involving the Power Generation and Renewable Energy sectors of the Group.

At the beginning of the year, the EHS function began an internal reorganization, assigning a Head of the Prevention and Protection Service to the different business sectors (factories and construction sites). This choice has ensured a more effective monitoring of the main objectives, including risk assessment and the definition of prevention measures, general and specific training of personnel and the management of health surveillance.

These priorities also include the evolution of the EHS document body, with a particular focus on the issue of safety instructions for the individual companies of the Ansaldo Energia Group. These instructions define clear and consistent operating modes to follow when working, helping to increase awareness and safety in every operating context.

Improvement actions

In 2025, the improvement initiative launched in the previous year was consolidated and further developed. Among the most significant initiatives are:

- Workstations at Machine Tools: definition and implementation of interventions aimed at reducing the residual risk present in the individual workstations, through a punctual analysis of the criticalities and the introduction of appropriate corrective measures.
- Management of shelving according to UNI EN 15635: identification, training and appointment of PRSES (Person Responsible for Storage Equipment Safety).
- Dedicated EHS site *team*: creation of EHS teams assigned to specific customers, with the aim of ensuring a more effective and continuous monitoring of all environmental, health and safety issues on the site.

At the same time, the Company continued the analysis — begun in 2024 — of possible solutions for the reduction of risks related to manual handling of loads and, more generally, to manual activities potentially associated with musculoskeletal disorders. Some of the most relevant solutions are:

- Load manipulators / weight-neutralising devices: introduced during the year in the Blade warehouse and in the central warehouse, following a test phase started positively at the end of 2024;
- Inflatable anti-fall airbags (wearable vests): evaluated for activities that present a risk of falling, but are not classified as work at height (for example: loading/unloading from floors, manoeuvring on vehicles or footboards).

A further important initiative, aimed at raising awareness and making all the related companies operating both within the Ansaldo Energia perimeter and in the external site, was the introduction of the "Executive Security Plan". This tool will enable the rationalization and standardization of the safety documentation of contractors. To complete, the "Stop work Authority" procedure was adopted to support the spread of a proactive and participatory security culture.

Employees and Top Management engagement: training and auditing

Based on the experience gained in previous years, Ansaldo Energia has further intensified the initiatives to involve employees and the Top Management. In addition to the regular meetings provided by Art. 35 of Legislative Decree 81/08 and Management Review, periodic meetings were held with the Worker Safety Representatives (Rappresentanti dei Lavoratori per la Sicurezza), together with the Facility representatives, on the issues related to new works and projects to be carried out.

The active involvement of employees and management has also been strengthened through a structured internal audit plan, carried out throughout the year both on-site and on-site sites. The purpose of the audits was to verify compliance with company procedures and current safety legislation, and to assess the effectiveness of the corrective measures implemented following previous audits.

The active promotion of worker awareness on health and safety issues was further enhanced through the organization of a dedicated day, the "Safety Day". During the event, several information points were set up in the main company areas, offering all employees the opportunity to deepen their understanding of specific EHS topics. Part of the initiative was dedicated to managers and supervisors, featuring contributions from industry experts and a theatrical performance titled *"Nessun Dubbio"*, aimed at encouraging critical reflection on key safety issues. Regarding training, in addition to full compliance with legal requirements for general and specific worker training, two particularly innovative initiatives were launched in 2025:

- Virtual Training: realization of immersive simulations designed to promote learning of safety obligations connected to the main processes.
- EHS Training Center: set up a container dedicated to practical training on confined spaces and work at height, allowing operational exercises to be carried out directly at the plant.

Risk assessment and emergency management

From the point of view of the updating and verification of risk assessments, the focus during 2025 was on updating the following assessments:

- Chemical Risk
- Asbestos Risk
- Ultrasound and Infrasound Risk
- Ionizing radiation risk
- Radiation Risk
- Atex Risk

As regards Emergency Management, a *Rescue Team* was established in 2025, with the aim of raising the level of safety during activities carried out in confined spaces and/or or during work at altitude. Its establishment represents a significant step in strengthening response and recovery capabilities in high-risk operational scenarios.

During the year, simulations of medical emergencies were carried out, aimed at testing and improving the effectiveness of internal intervention protocols. In this context, the training level of the company's healthcare staff has also been enhanced through specific courses dedicated to emergency response and recovery.

ORGANIZATION AND QUALITY SYSTEM

On the organizational perspective, 2025 was a year of strong impulse to the transformation of the Operations structure, started with the aim of defining a structure more coherent with the business context and with the challenges of the near future. Change aims to strengthen accountability for the product and its processes throughout its life cycle, promoting greater awareness of common goals and facilitating value generation. The organizational design was based on a few key drivers:

- establishment of product lines conceived as true “self-supporting production units”;
- simplification of the decision-making chain, aimed at consolidating the *governance* of the production process;
- creation of a policy dedicated to continuous improvement, through the introduction of metrics, tools and methods oriented to cultural change – with particular attention to lean production principles – and the centralization of responsibilities on common themes (e.g. IT tools and operational methodologies), in order to strengthen overall governance.

During the year, the BPM process project continued, completing its planned activities in 2024 and intervening on the evidence that emerged during the mapping phase and in subsequent process audits. A working table on Product Life Cycle Management has also been launched, consisting of representatives of engineering structures, supply chains and information systems, with the aim of identifying possible areas of improvement with respect to the current approach.

Also on the process front, a collaboration has started with the operations area in the context of the project for revision of the *supply chain* planning process, with the aim of systematizing existing practices and evolving them in coherence with the new organizational context and with internationally recognized methodological standards.

In continuity with previous years, internal audit activities and the measurement of the main indicators related to the functioning of the organization continued, including:

- *Vendor Rating*, which involved 87 suppliers;
- *Customer Satisfaction*, with 53 questionnaires sent and 24 completed;
- *Quality* Economics analysis;

In addition, a *lesson learned* activity focused on technical product requirements and regulations has been organized, with the aim of consolidating knowledge and spreading good internal practice.

Regarding to compliance with essential product safety requirements, the year saw important support for *business* functions for the definition and revision of the guidelines necessary for the application of relevant European provisions. Among the most significant results is the development of a new standard that defines a global approach to product safety for the design and construction of thermoelectric power plants.

Within the Functional Safety Management System (IEC 61511/61508), two application standards provided for in the relevant manual have been revised and an internal audit has been carried out on the Product Development, New Units and Service processes.

At the end of the year, the certificates relating to the two Management Systems included in the scope of responsibility of the entity were renewed:

- the Quality Management System (ISO 9001), whose certificate issued by RINA has been renewed for the three years 2026–2028 and constitutes a multisite certification valid for the Companies of the Thermal Power (AEN, AES, AEG) and Green (AGT) sectors;
- the Management System for Functional Safety (IEC 61511/61508), renewed by TÜV Italia, also for the three years 2026–2028, for the applications in Product Development, New Units and Service of Ansaldo Energia S.p.A.

Finally, during the year support was provided to the ICT function in the design and implementation of the Information Security Management System, compliant with the UNI CEI EN ISO/

IEC 27001:2022 standard and certified by RINA in December, thus completing a further step in strengthening corporate governance.

INFORMATION REQUIREMENTS EX L.124/2017

The applicable legislation requires companies receiving financial contributions from public administrations and their subsidiaries to provide specific disclosures in the explanatory notes to the financial statements.

The regulation in question has been subject to several interpretations, which have not fully resolved uncertainties regarding its practical application. The Parent Company has adopted the interpretation set out by Assonime in circular no. 5 of 22nd February 2019, according to which the disclosure applies only to those grants of a specific and individual nature. Therefore:

- regarding to remunerated assignments falling within the Company's ordinary business activities and carried out at market conditions, it is noted that the Company has received remunerated assignments from entities attributable to the Public Administration; in this regard, it should be noted that these assignments, as they are fall within the Company's ordinary course of business and are performed at arm's-length conditions,, are not reported in this section, since they are not subject to the disclosure requirement set out in art. 1, paragraph 25 of Law no. 124/2017;
- with reference to grants and subsidies subject to disclosure obligations under the National Register of State Aid (Transparency Section), reference is made to such register;
- for the financial year 2025, no aid elements exceeding the threshold established by Law No. 124/2017 is reported, with the exception of approximately Euro 0.2 million for the "Technologies for Nuclear Power Plants" project described above, granted on 25th September 2025;
- regarding to contributions granted by private-law entities (for example, Fondimpresa training grants), they are not subject to disclosure, as they fall outside the scope of application of the above-mentioned regulation;
- regarding to any tax incentives which the Company has benefited, it is considered, also in accordance with what is done by "Assonime" with the aforementioned circular, such incentives are general in nature and therefore not subject to mandatory disclosure for the purposes of the regulation under consideration.

RISKS MANAGEMENT

In relation to the international market, careful and rigorous activity of identification and management of operational and financial risks is increasingly necessary.

In order to eliminate or minimize the credit risk and also to optimize project cash flows, the Group adopts an accurate policy of analysis from the origin of the commercial transaction, carrying out a careful examination of the conditions and means of payment to be proposed in the offers and in the subsequent sales contracts.

Depending on the contractual amount, the type of customer and the importing country, the necessary precautions are adopted to limit the risk, both in terms of payment and in financial means, resorting, in the most complex cases, to adequate insurance cover or supporting the customer in obtaining the financing of the supply.

For transactions denominated in currencies other than the euro and exposed to foreign exchange risk, Group procedures provide for specific hedging through the use of appropriate forward contracts for the most significant transactions.

GUARANTEES PROVIDED UNDER THE CONTRACT FOR THE SALE OF ANSALDO ENERGIA'S SHARES

Under the agreement governing the transfer of the shares of the Parent Company to Fondo Strategico Italiano (now CDP Equity S.p.A.) a number of indemnities and guarantees were granted by Finmeccanica (now Leonardo S.p.A.) in respect of litigation matters or circumstances that gave rise to specific provisions for risks recognised in the financial statements. The share contract transfer agreement provides that any disbursements and outflow in respect of the cases guaranteed will be compensated and indemnified by Leonardo, through different mechanisms depending on the specific case. Such indemnities may, at the discretion of CDP Equity, be paid either directly to Ansaldo Energia or to CDP Equity.

It is noted that CDP Equity has made a formal commitment towards Ansaldo Energia to ensure that all future indemnities related to the case "asbestos" will be paid by Leonardo directly to Ansaldo Energia.

However, regarding all the other cases covered by Leonardo's guarantee, CDP Equity has not yet defined any choice as to the recipient of any future indemnities.

RELATED PARTIES TRANSACTIONS

The relations of the Group companies with the Related parties, whether commercial or financial, are all maintained at market conditions and are detailed in the Explanatory Note.

PERFORMANCE OUTLOOK

The Industrial Business Plan for 2026-2030 period, in continuity with the strategic framework defined in the previous planning cycle, is based on a market scenario characterized by a particularly favourable developments in the gas turbines and nuclear sectors.

Global dynamics indicate that electricity demand is set to double over the next 25 years, generating a growing need for additional generation capacity and reliable technologies. In this context, natural gas will continue to play a key role as a transition fuel, nuclear power is expected to expand significantly, and renewable sources will maintain an accelerated pace of development.

The positive operating performance recorded in 2025 strengthens the strategic vision of the new industrial plan and testifies to the resilience of the organization in a complex and rapidly evolving global energy environment.

The 2026-2030 Industrial Business Plan takes note of the structural strength of the Group, supported by consolidated technical skills, a competitive technological heritage and an industrial model oriented to operational excellence. The Plan also confirms a strong focus on the *core business* —turbogas, steam turbines and generators—consistent with the prospects for global growth in electricity demand and the role these technologies will continue to play in the process of energy transition.

For **Ansaldo Nucleare**, the plan provides for a significant expansion of activities, aided by the award of strategic contracts in the United Kingdom and Romania. The expected increase in turnover is estimated to be about twice as high as the results achieved in the previous two years, confirming the increasing importance of nuclear power in the Group's overall portfolio and the recognition of the distinctive skills developed in the sector.

At the same time, Ansaldo Green Tech focused on the development of new generation electrolyzers, exploiting the support offered by the program of European contributions awarded to the subsidiary. This development line is part of the strategy of progressive exploitation of decarbonization enabling technologies, with particular reference to green hydrogen as a central energy carrier in future industrial and infrastructure scenarios.

Overall, the 2026-2030 Industrial Business Plan outlines a solid and sustainable growth trajectory, strengthening the Company and Group's positioning in the relevant markets and confirming its role as a primary player in the global energy transition.

ESMA INFORMATION REQUIREMENTS

The 2025 ESMA recommendations focus on the complex geopolitical landscape (conflicts in Ukraine and the Middle East, geopolitical tensions, energy-price volatility, and trade friction) and the resulting impacts on business performance and financial position. In this context, the importance of **financial reporting** that highlights the risks and uncertainties arising from these dynamics and provides adequate reporting on specific areas of focus (write-downs and impairment, revenues, financial and liquidity risks, covenants, and provisions) is underlined.

At the same time, ESMA draws attention to **sustainability reporting** and the use of Alternative Performance Indicators (APM).

The information is detailed and detailed in the subsequent paragraphs of the financial statement; this paragraph is intended to provide a general overview of the main areas of focus identified by ESMA.

Financial information

Risks and uncertainties arising from the geopolitical context

Duties and trade restrictions

According to the ESMA, price volatility, tariff tightening, and, in general, trade restrictions can reduce the value of **inventories**, as well as changes in the operating environment or reference markets – such as new tariffs, raw materials price increases, changes in exchange rates, higher transport costs, or supply interruptions – can lead to a possible **impairment of assets or groups of assets**, with a consequent estimate of their recoverable amount. Finally, it may be necessary to update the financial plans approved by management to reflect new estimates related to the geopolitical context.

Risks related to the geopolitical context can still reduce the future profitability of companies, making the recoverability of **deferred tax assets** uncertain, especially for those who have tax losses or operate in very volatile markets. Companies must then verify that they continue to meet the IFRS requirements for recognizing these assets.

Finally, trade tensions and uncertainty can affect **revenue** recognition or increase estimated costs, reducing the percentage of completion, as well as the need to accrue provisions for onerous contracts.

Therefore, the ESMA recommends that companies explain the judgments and estimates adopted (e.g. variable consideration) and their impact on the financial statement.

During 2025, the Group closely monitored the evolution of the macroeconomic and geopolitical context, with particular reference to the introduction or strengthening of protectionist measures and customs duties by some Countries.

In this context, it is noted that, in the current period, Ansaldo Energia did not generate sales revenues in the United States of America. As of the 2026 order intake, there is the possibility that commercial relations with counterparties located in these areas may be established: in such scenario, the Group's approach is to contractually predict that any costs arising from potential protectionist measures are borne by customers who are currently showing willingness to consider accepting such condition. In any case, group potential exposure to this risk would be limited, representing a minority share of the current *order* intake volumes.

Regarding the supply chain, the Group is successfully continuing its vendor base extension strategy, which has already achieved a reduction of approximately 25% in the market share of single-source suppliers, with a trend towards further decreases in the coming years.

At the date of this document, both the impact on procurement costs and the continuity of logistic flows — including the possible need to reconfigure the supply chain in the presence of new trade tariffs — are assessed as risks contained within physiological limits.

Particular attention is currently given to potential criticalities related to trade policies on rare earth elements, which are present in some critical processes of the Group's industrial operations. The Group also incorporates potential increased default risks from customers by including country default risk in the evaluation of its contracts and related receivables (expected *credit loss* – ECL). As of the date of preparation of these financial statements, no significant impacts have been identified that would alter the assumptions underlying the main accounting estimates (including impairment tests, valuation of inventories, receivables, work in progress on orders, and recognition of onerous contracts). The Group will continue to closely monitor the evolution of the global environment to promptly assess any future effects.

With reference to the current geopolitical context, it is also necessary to mention the sanctions aimed at striking trade with Russia and to emphasize that the 18th sanctions package provided, in addition to the subjective restrictions, for objective restrictions, by expanding the list of products contained in Annex XXIII of Reg. (EU) 833/2014. Goods, whether or not originating in the European Union, the sale, supply, transfer or export (direct or indirect) of which to any natural or legal person, entity or body in Russia or for use in Russia is prohibited by Art. 3 *duodecies*.

In particular, these restrictive measures have impacted the Group's business in Russia, providing for:

- immediate ban on the export of gas turbines spare parts under customs code 841199, with the possibility to export goods covered by orders signed before 20th July 2025 until 20th October 2025, with a consequent ban on performing service and maintenance activities;
- obligation to obtain an export license for the goods contained in Annex VII of the above-mentioned regulation containing the goods considered "almost dual", where the export is to a country considered "facilitating triangulations to Russia"; this measure is in addition to the absolute prohibition of the export of dual goods already provided for in the previous sanction packages.

The Group has therefore checked the recoverable amount of the holding, of a non-significant amount, and any related assets, by updating its cash flow forecasts to take account of temporary operational limitations due to force majeure, after assessing the presence of potential charges and analysing the recoverability of any commercial and advance credits, taking into account the significant volume of revenue that occurred during 2025.

Based on the analyses carried out, the Group has prudently contributed a write-down to cover the recoverability of the deferred taxes present in the reporting package of the subsidiary for an amount equal to approximately Euro 2 million.

The Group will continue to monitor the evolution of the international regulatory framework and the resulting economic impacts, updating its assessments should further changes to the sanction's packages or the scope of permitted activities.

In the light of the current macroeconomic and geopolitical scenario, marked by the escalation of the recent conflict involving the United States, Israel, and Iran since late February 2026, which is generating a high degree of uncertainty about possible future economic impacts, the Group is constantly monitoring the evolution of events and carrying out appropriate assessments to identify any potential risks for the coming financial years.

At the date of approval of this financial statement, however, the high level of uncertainty and the lack of complete and reliable information do not allow any further effects to be reflected in the financial statement assessments to be reasonably estimated.

Please refer to the explanatory note for further details.

More specifically, it is reported that since the beginning of the conflict between Russia and Ukraine, the Group's presence in Russia has continued its activities and supplies under the constant monitoring of the Ansaldo Energia Compliance Office, which has been continuously committed to verifying regulations and provisions issued by the competent authorities regarding imports and exports in Russian territory. This monitoring has enabled timely assessment of any impacts on orders, both new and existing, ensuring continuous compliance with regulations and their updates. During the financial year 2025, the Russian subsidiary acquired orders totaling for Euro 7.3 million. With the issue of the 18th sanctions package in July 2025, parts and services related to gas turbines — *core business* of Ansaldo Energia Russia (AER)— were included in the list of restricted activities and components.

As of October 2025, AER's activities have therefore continued exclusively as support for the projects of the parent company Ansaldo Energia S.p.A., outside Russia or as management of the material already imported into Russian territory before that date.

The new sanctions introduced in the second half of 2025 have effectively prevented AER from capitalizing on opportunities offered by the local market, resulting in a reduction of the 2024 budget targets.

As previously indicated, the company and its parent are continuously monitoring the evolution of the macroeconomic and regulatory environment to promptly estimate potential impacts on future financial statements and adjust business planning accordingly. More broadly, geopolitical tensions related to the conflict in Ukraine are expected to persist throughout 2026. Based on information available at the date of these financial statements, Ansaldo Energia intends to maintain its presence in Russia, continuing its commercial activities during the 2026 financial year aimed at maximizing sales of parts already held in inventory.

Simultaneously, the company will continue to nurture relationships with key customers to swiftly seize any strategic opportunities should the geopolitical context allow. Additionally, AER personnel will be engaged in project management and technical assistance activities supporting AEN projects in other regions of the world.

The trend for the 2025 financial year of the subsidiary is summarized in the following figures:

Net result (M€)	Equity (M€)	Net Financial position (M€)	Workforce (Unit)
1.2	3.4	2	13

Financial risks

ESMA further clarifies that, where relevant, companies are required to provide adequate information on how the current geopolitical context affects exposure to **financial risks**.

The European Central Bank (ECB) has maintained its interest rate and main refinancing rate unchanged in the last two meetings, standing at 2% and 2.15%, respectively, both lower than the levels recorded in 2024.

The continuation of this dynamic has allowed the parent company a positive stabilization of the interest charges related to its financial debt, for the variable rate quota. This component mainly relates to the share of term loan, Revolving Credit facility and SACE Support Italy Loan subscribed in 2023 as part of the finalization of the financial restructuring manoeuvre, as well as to the SACE "Archimede" line of bank financing. In addition, in this context, there is evidence of a further saving in interest due to the reduction in the *spread* applied by the banks in relation to the above loans, thanks to the reduction in bank debt and the consequent improvement in the leverage ratio, which allowed a reduction in the interest margin applied, in accordance with the *margin rachets* provided for in the respective financing contracts.

The remainder of the gross debt position is not exposed to risks arising from interest rates fluctuations, also due to the existing fixed-rate hedging instruments (IRS-interest rate swaps).

Despite the continuing complex geopolitical situation, the improvement of the market environment, together with the good *performance* of the Service segment and the progressive completion of New Units projects, have substantially lowered the Group's exposure to liquidity risk: in this respect, it is recalled that *operating cash flow* has shown a very positive *performance* in this year.

In this context, which is closely linked to the above, it is also important to highlight the positive impact on the risk of breach of **financial covenants**, which, according to the financing agreements signed with the main financial institutions, concern:

- *Leverage Ratio* tested on a semi-annual basis using the Group Consolidated parameters;

- *Interest Coverage ratio* tested on a semi-annual basis on the Group Consolidated parameters;
- *Minimum Available Liquidity* tested quarterly on Ansaldo separate parameters.

It should also be noted that in the current financial year and after taking into account the adjustments permitted under the financing agreements, the net financial position is positive for covenant calculation purposes. This fact significantly reduces the relevance of covenant risk in the context of the Group's overall economic and financial risk assessment.

Supplier finance arrangements

The ESMA also emphasise the disclosure requirements introduced by IAS 7 regarding *supplier finance arrangements*.

Reverse factoring is a working capital management tool included in the solutions of what is defined as *supply chain finance*. This financial tool supports companies in managing the relationship with their suppllier's stage, allowing financial support to accompany their business proposal.

In summary Ansaldo Energia (as head of the supply chain) uses a financial intermediary to allow suppliers who adhere to the same agreements to obtain a payment in advance of the natural maturity of the invoice credit, that is to say at the maturity of the invoice itself, in the face of a massive sale of all the commercial credits generated toward Ansaldo Energia from a certain point of time onwards; this instrument allows, on the one hand, a faster access to liquidity and, on the other hand, an option to extend the payment terms formalized in the respective purchase orders, without, therefore, involving the *Derecognition* of the debt to the supplier, which therefore continues to be recognized among the commercial debts until its natural maturity.

The extension of the commercial terms of payment to the head of the supply chain is granted up to a maximum of 210 days from the date of invoice issue. The payment of the due, on the expiry of the invoice or sent in advance at the discretion of the supplier, takes place directly from the financial institution acquiring the ownership of the credit, sterilizing the counterparty risk for the supplier. As of 31st December 2025, deferred payment was activated on a volume of approximately Euro 84 million, an increase over the year 2024 (Euro 59 million).

Operating sectors

In the light of the objectives set by IFRS 8, ESMA recommends that information be given on the operational sectors in which its company operates, on the geographical areas and on the main customers indicating any changes in the light of geopolitical uncertainties and *climate-related* aspects.

For further details, please refer to the paragraphs dedicated to IFRS 8.

At the date of the drawing up of these financial statements, no significant impact was found which would alter the assumptions regarding the production sectors.

Non-financial information

Sustainability priorities and climate change issues

The *large public-interest entities* and, therefore also Ansaldo Energia Group, will publish their first sustainability statement in accordance with the ESRS, as foreseen by the Corporate Sustainability Reporting Directive (CSRD), at a time that will be confirmed or postponed by the European Commission.

More specifically, the “Stop the Clock” Directive (EU Directive 2025/794), approved by the European Commission, postponed the implementation of the Corporate Sustainability Reporting Directive (CSRD) for some companies by two years. This means that large, listed enterprises and SMEs that have not yet started reporting under the CSRD, and some third-country firms, will have to submit their sustainability report from 2027 instead of 2025. Please refer to the “Sustainability” section of the financial statement for more detailed information. The transition to a zero-emission environment is constantly accelerating, which is why the analysis of the impacts of the **“climate change”** on the reference market of the Group and of possible regulatory developments have been considered in the Industrial Plan.

In particular, regarding to *climate change*, the risk related to the contraction of *Core Business* and/or loss of competitive advantage for inadequate *business models*, due to a change in the macroeconomic, regulatory or technological context, should be highlighted.

Ansaldo Energia has implemented an *Enterprise Risk Management* (ERM) function in its organization with the aim of identifying, evaluating and managing the main business risks, consistent with the objectives, strategies and propensity to risk in order to support *management* in sharing and managing risk and in making informed decisions in order to optimize *performance*.

In mitigation of the identified risks, Ansaldo has set specific actions of:

- **I.** adapting the current portfolio to the use of hydrogen;
- **II.** rationalizing the product offering for the *New Units* segment;
- **III.** evaluation of the development of solutions to increase the efficiency of machines subject to *Service* activities and their possible impact on *New Units* products.

It is important to emphasize that the Group, to enhance the sustainability of its existing portfolio, is dedicating itself to research and development activities aimed at enabling the combustion of increasing percentages of hydrogen in gas turbines to ensure grid stability, in view of the growth of renewable energy sources, which are inherently intermittent, while meeting carbon dioxide emission reduction targets.

Furthermore, having invested since the end of the ‘80 in the search for innovative solutions for both reactor design and waste management and decommissioning, Ansaldo Nucleare is in a favourable position to contribute to climate change by basing its strategy on three main pillars:

- the short-term objective of providing effective solutions for the decommissioning of old power plants and accelerating the return to *green field* status of sites;
- the medium-term objective of integrating new, flexible and more sustainable nuclear reactors with renewable energy sources;
- the long-term objective of making fusion a concrete response to future energy needs, with the highest standards of sustainability.

In addition, with a view to relaunching and diversification, through the subsidiary Ansaldo Green Tech, the Group is carrying out the evaluation of *counter-cyclical* business opportunities with respect to *power generation* from fossil sources, with the aim of developing, producing and marketing *green* products.

Ansaldo Energia’s ST (steam turbines) engineering has also been engaged in supporting projects in the field of energy transition, especially in the development of an expander for an Energy Storage plant that uses CO_2 as a working fluid. In addition, new nuclear projects were addressed through the subsidiary Ansaldo Nucleare, in particular in the *Small Modular Reactor* (SMR) field, to guide the transition to a new generation of nuclear energy.

It should also be noted that in 2023 the Board of Directors appointed the Joint Committee on risks and Sustainability.

The Committee shall have a proactive and advisory role in assessing and deciding risk and sustainability issues.

Finally, it is reported that, during 2024, an analysis and first evaluation of the applicability of EU Taxonomy was launched through the identification of *eligible* activities.

It should be noted that the Company has not currently signed *Emission Trading Schemes*, nor agreements that set out in advance the price for the supply of green energy (PPA *Power purchase agreements*), nor carbon allowance.

Accounting policies, judgements and significant estimate

As a general recommendation, ESMA urges companies to provide clear and accurate disclosure about *accounting policies*, judgements and significant estimates adopted. Reference is made to the disclosure in the relevant sections of the financial statements.

CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025


STATINO AUTOCONTROLLO
ALTEZZA PACCHETTI
DISEGNI TECNICI
THINK
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LIFE
VIETATO L'USO
DI TELEFONI
CELLULARI

CONSOLIDATED INCOME STATEMENTS

Euro/thousand	*Notes*	**2025**	**of which with Related parties**	**2024**	**of which with Related parties**
Revenues	*13*	1,232,220	219,699	1,116,339	42,279
Other operating income	*14*	23,661	-	29,762	5
Purchase costs	*15*	462,614	413	426,021	2,438
Service costs	*15*	340,117	(1,003)	373,739	913
Payroll	*16*	260,702		250,433	
Amortization, depreciation and impairment losses	*17*	80,975		79,578	
Other Operating expenses	*14*	83,708	-	56,695	151
Change in finished goods, work in progress, and semi-finished goods	*18*	(15,157)		2,148	
(-) Internal works capitalized	*19*	18,559		18,230	
EBIT		**31,167**		**(19,987)**	
Financial income		12,439	-	17,937	-
Financial expenses	*20*	73,008	25,427	86,324	21,156
Share of profits (losses) of associates and joint ventures accounted for using equity method	*20*	(228)		6,148	
Profit (loss) before taxes		**(29,630)**		**(82,226)**	
Income taxes	*21*	(50,078)		(60,758)	
Net result		**20,448**		**(21,468)**	
Net result attributable to non-controlling interests	*21*	(785)		(914)	
Net result attributable to the owner of the Parent	*21*	21,233		(20,554)	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Euro/thousand	**2025**	**2024**
NET RESULT	**20,448**	**(21,468)**
Items that will not be reclassified to profit or loss		
- Actuarial gains (losses) or defined benefit plans measurement	3,919	(8,620)
Revaluation/(devaluation)	3,919	(8,620)
Exchange rate differences	-	-
Items that may be reclassified to profit or loss		
- Changes in cash flow hedges	2,440	(3,760)
Changes generated in the period	2,440	(3,760)
Transfer to profit (loss) for the period	-	-
Exchange rate differences	-	-
- Exchange differences	(3,596)	(1,108)
Gains(losses)	(3,596)	(1,108)
- Tax effect	(958)	1,426
From cash flow hedge	(304)	(194)
From plans to defined benefits	(654)	1,232
Total other comprehensive income, net of tax effects	**1,805**	**(12,062)**
Total comprehensive income (loss)	**22,253**	**(33,530)**
of which attributable to non-controlling interests	(785)	(914)
of which attributable to non-controlling interests exchange rate differences	76	227
Total attributable to non-controlling interests	(709)	(687)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Euro/thousand	Notes	12/31/2025	of which with Related parties	12/31/2024	of which with Related parties
Assets					
Non-current assets					
Intangible assets	22	933,299		948,194	
Property, plant and equipment	23	182,604		180,459	
Right of use assets	23	53,324		29,697	
Investments in subsidiaries and associates	24	1,050		1,056	
Equity investments	24	20,835		17,977	
Receivables	25	15,172	467	25,084	933
Deferred tax assets	25	51,879		49,315	
		1,258,163		**1,251,782**	
Current assets					
Inventories	26	686,019		665,234	
Contract work-in-progress	27	141,017		112,597	
Trade receivables	28	348,713	76,040	346,930	62,794
Tax assets	29	1,442		3,134	
Financial receivables	28	3,446	493	3,961	468
Derivatives	38	169		132	
Other current assets	30	130,721	63,688	125,468	74,618
Cash and cash equivalents	31	360,885		310,311	
		1,672,412		**1,567,767**	
Total assets		**2,930,575**		**2,819,549**	
Equity and liabilities					
Equity					
Share capital	32	407,291		407,291	
Other reserves	32	(43,707)		(67,026)	
Equity attributable to the owners of the parent		363,584		340,265	
Equity attributable to non-controlling interests		1,912		2,621	
Total Equity		**365,496**		**342,886**	
Non-current liabilities					
Loans and borrowings	33	607,808	353,366	679,902	330,525
Lease liabilities	33	48,704		26,350	
Employee benefits	34	18,432		22,026	
Provisions	35	89,660		70,202	
Deferred tax liabilities	36	29,509		32,012	
Other non-current liabilities	36	4,614	-	4,229	-
		798,727		**834,721**	
Current liabilities					
Advances from customers	27	951,621		798,712	
Trade payables	37	398,813	7,120	391,361	5,705
Loans and borrowings	33	102,152	17	150,450	22
Lease liabilities	33	8,620		8,779	
Tax liabilities	29	4,245		4,793	
Provisions	35	103,734		99,443	
Derivatives	38	991		3,808	
Other current liabilities	36	196,176	374	184,596	10,409
		1,766,352		**1,641,942**	
Total liabilities		**2,565,079**		**2,476,663**	
Total liabilities and Equity		**2,930,575**		**2,819,549**	

CONSOLIDATED STATEMENT OF CASH FLOWS

Euro/thousand	**2025**	**2024**
Cash flow from operating activities:		
Gross cash flow from operating activities	146,409	57,814
Changes in working capital and other operating assets (liabilities)	133,965	(60,868)
Cash receipts (payments), net financial incomes (expenses), taxes and other operational assets (liabilities), use of funds	4,490	85,779
Cash flow generated (absorbed) by operational activities	**284,864**	**82,725**
Cash flow from investment activities:		
Acquisition of companies, net of cash acquired	-	(10)
Investments in tangible and intangible assets	(61,685)	(38,740)
Sale of property, plant and equipment and intangible assets	-	513
Changes in non-current financial activities	-	(11)
Other investment activities	1	14
Dividends received (paid)	1,124	1,286
Cash flow generated from (absorbed) investing activities and other	**(60,560)**	**(36,948)**
Cash flow generated (absorbed) by strategic investment activities and other non-recurring activities	**(14,125)**	**-**
Cash flow generated (absorbed) by investment activities	**(74,685)**	**(36,948)**
Cash flow from financing activities:		
Capital increases and payments from shareholders	-	125,000
Net change in financial receivables/payables and other financing activities	(154,555)	(89,878)
Cash flow generated (absorbed) by financing activities	**(154,555)**	**35,122**
Net increase (decrease) in cash and cash equivalents	55,624	80,899
Other changes	(5,042)	(3,279)
Cash and cash equivalents as of 1 January	310,311	232,691
Changes in the consolidation area	(8)	-
Cash and cash equivalents as of 31 December	**360,885**	**310,311**

CONSOLIDATED STATEMENT OF CHANGES IS EQUITY (EXCLUDING MINORITY INTEREST)

Euro/thousand	Share capital	Hedging reserve	Actuarial reserve	Retained earnings and other reserves	Total Equity
1 January, 2024	**325,394**	**1,564**	**(11,845)**	**(68,846)**	**246,267**
Comprehensive income for the year:					
Net result	-	-	-	(20,553)	(20,553)
Other comprehensive income (expenses)	-	(3,565)	(7,388)	(1,335)	(12,288)
Total comprehensive income	**-**	**(3,565)**	**(7,388)**	**(21,888)**	**(32,841)**
Shareholders-related transactions recorded directly in equity:					
Capital increases	81,897	-	-	43,103	125,000
Total shareholders-related transactions recorded directly in equity	**81,897**	**-**	**-**	**43,103**	**125,000**
Other changes	-	-	-	1,839	1,839
31 December,2024	**407,291**	**(2,001)**	**(19,233)**	**(45,792)**	**340,265**
Comprehensive					
Net result	-	-	-	21,233	21,233
Other comprehensive income for the year	-	2,136	3,265	(3,672)	1,729
Total comprehensive income	**-**	**2,136**	**3,265**	**17,561**	**22,962**
Other changes	-	-		357	357
31 December,2025	**407,291**	**135**	**(15,968)**	**(27,874)**	**363,584**

RECONCILIATION OF THE PARENT'S EQUITY AND NET RESULT WITH CONSOLIDATED FIGURES

Euro/Thousands	Equity 2025	Of which: Net Result
Parent company equity and net result as of 31 December 2025	**367,513**	**15,752**
Equity surplus in annual financial statements compared to the carrying amounts of investments in consolidated companies	(42,770)	
Consolidation adjustments for:		
- PPA Nuclear Engineering Group	15,503	
- PPA Gastone	36,826	(7,656)
- PPA Centro Combustione Ambiente	1,405	(177)
- Intercompany profits		16,381
- dividends/write-downs/revaluations of equity investments		4,522
- Other adjustments	(14,893)	7,589
Equity and net result attributable to the owners as of 31 December 2025	**363,585**	**21,233**
Non- controlling interests	1,912	(785)
Total equity and net result as of 31 December 2025	**365,496**	**20,448**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED ON THE 31 DECEMBER 2025


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1. GENERAL INFORMATION

Ansaldo Energia S.p.A. (hereinafter “Ansaldo Energia”, the “Company” or the “Parent Company” and, together with its subsidiaries and affiliates, the “Group” or the “Ansaldo Energia Group”) is a joint stock company domiciled in Italy, with its registered office in Via Nicola Lorenzi 8, Genoa and organized according to the legal order of the Italian Republic.

The Parent Company is owned by CDP Equity S.p.A. (the Italian investment holding company belonging Cassa Depositi e Prestiti Group, formerly known as Fondo Strategico Italiano) and by the Chinese company Shanghai Electric Hongkong Co. Limited.

The non-renewal of shareholders’ agreements between shareholders, which expired on the 5th of December 2019, meant that the Parent Company, as from that date, was not only formally, but also *de facto* controlled directly by the shareholder CDP Equity S.p.A.

On the 20th of April 2020, the extraordinary Shareholders’ Meeting was held, which approved the proposal to increase the share capital by a maximum amount of Euro 450 million, through the issue of shares with regular use, equal to be offered as an option to shareholders CDP Equity S.p.A. and Shanghai Electric Hongkong Co Limited, pursuant to art. 2441 of Italian Civil Code and of the company’s statutes, proportionally to their respective shareholdings in the capital.

On 27th of April 2020, the shareholder CDP Equity S.p.A. made a payment of Euro 400 million.

On 30th of June 2020, the share capital increase approved by the Ansaldo Energia S.p.A. Extraordinary Shareholders’ Meeting held on 20th April, from Euro 180 million to Euro 580 million, was completed. The aforementioned capital increase, against payment, took place for an amount of Euro 400 million via the payment by the shareholder CDP Equity Spa, which also exercised the right of pre-emption for the share not subscribed by the shareholder Shanghai Electric Hongkong Co. Limited.

In October 2022, CDP Equity paid out an amount of Euro 35.6 million as a capital increase as a first tranche of the total of Euro 50 million previously decided by the majority shareholder in the event of a disruption of the *Minimum Available Liquidity* (financial covenant) which occurred during the year.

In January and February 2023, CDP Equity paid an amount of Euro 14.3 million as a capital increase, as a residual tranche of the total amount of Euro 50 million mentioned above.

On19th June 2023, the extraordinary shareholders’ meeting approved an issue of shares for cash amounting to Euro 580 million.

On 1st June 2023, CDP Equity paid a share of Euro230 million in accordance with the commitments entered into under the Agreement signed on 30th May 2023 (ECA Equity Commitment Agreement), whereas on 28th June, the commission paid a tranche of Euro 225 million. Between March and April 2024, following the final payments totaling Euro 125 million, the capital increase operation by the shareholder CDP Equity, resolved in 2023, was concluded.

Currently, the shareholding of the shareholder CDP Equity is more than 99% and that of the shareholder Shanghai Electric Hongkong Co. Limited is approximately 0.40% of the capital.

The Group’s mission is to perform, in Italy and internationally, industrial, commercial, design and supply technology assembly, start-up and service activities in the power generation Plants and Components service line, as well as, in similar service lines, in addition to performing all works connected with the activities. Cutting-edge technology, high professional standards, extensive production capacity and competitive projects and products have been constant features of the Group from the outset and will drive it forward into the future.

The Group operates, through its subsidiaries Ansaldo Nucleare and Ansaldo Nuclear Ltd, in the nuclear sector, while through its subsidiary Ansaldo Green Tech, it operates in the renewable energy sector. The parent company Ansaldo Energia is not subject to management and coordination.

2. FORM, CONTENT AND ACCOUNTING STANDARDS APPLIED

a) Basis for preparation

This consolidated financial statements for the year ended on the 31st of December 2025 (hereinafter also the "consolidated financial statements") have been prepared in accordance with the *International Financial Reporting Standards* issued by the *International Accounting Standards Board* and adopted by the European Union ("International Financial Reporting Standards ").IFRS means all *"international Financial Reporting Standards"*, all *"international Accounting Standards"* ("IAS"), all interpretations of the *International Financial Reporting Standards Interpretations Committee* ("IFRIC"), previously known as the *"Standards Interpretations Committee"* ("SIC") which, at the date of approval of the Consolidated Financial Statements, have been approved by the European Union in accordance with the procedure required by Regulation (CE) No. 1606/2002 by the European Parliament and the European Council of the 19th of July 2002. It should be noted that IFRS have been applied consistently throughout the periods presented in this document.

The same accounting policies and drafting criteria as those adopted for the financial statements as of 31st December 2024 were applied in the preparation of these financial statements, unless otherwise indicated.

This Consolidated Financial Statement has been prepared:

- based on the best available knowledge of the IFRS, and taking into account the interpretations in this field; any future interpretative guidance and updates will be reflected in subsequent fiscal years in accordance with the methods required by the financial reporting standards, on a case-by-case basis;
- in accordance with the going concern assumption, as indicated in the Report on Operations; the Directors, at the time of approval of the financial statements, have a reasonable expectation that the Group will have the necessary resources to operate in the next 12 months; regarding the process of highlighting uncertainties and determining the applicability of the assumption of going concern, refers in full to the paragraph "Going Concern" of the Report on Operations;
- based on the conventional cost criterion, except for the valuation of the financial assets and liabilities in cases where the application of the *fair value* criterion is required.

b) Form and content of the financial statements

The Consolidated Financial Statements have been prepared in Euro, which corresponds to the currency of the main economic environment in which the entities comprising the Group operate. All amounts included in this document are presented in thousands of Euro, unless otherwise specified.

The reporting formats and the relative classification criteria adopted by the Group, within the scope of the options provided by IAS 1 "Presentation of financial statements" ("IAS 1"), are indicated below:

- The *Consolidated Income Statement* - the scheme of which follows a classification of costs and revenues according to the nature of the same. The net result before taxes and the effects of the discontinued operations, as well as the net result attributable to third parties and the net result attributable to the Group, are shown;
- The *Consolidated Statement of Comprehensive Income* – shows changes in equity resulting from transactions other than capital transactions with the shareholders of the company;
- The *Consolidated Statements of Financial Position* - was prepared by classifying assets and liabilities according to the "current/non-current" criterion; as defined by the IFRS, current assets are those items that are intended to be realized in the normal operating cycle of the company and in any case in the 12 months following the end of the financial year. Current liabilities are those for which they are expected to be extinguished in the normal operating cycle of the company or in the 12 months following the end of the financial year;
- The *Consolidated Statement of Cash Flows* - was prepared by exposing the cash flows deriving from operating activities according to the "indirect method";
- The *Consolidated Statement of Changes in Equity* - shows the total income (charges) for the period, transactions with shareholders and other changes in equity;
- *Notes to the Consolidated Financial Statements.*
- The *statement reconciling the profit and equity of the Parent Company and the Group* - was also included, which explains, through the classification of the various consolidation adjustments, the reconciliation between the data of the Parent Company's financial statements and those of the Consolidated Financial Statements.

The schemes used are those that best represent the Group's economic, and financial situation.

The preparation of the financial statements required the use of estimates by management (for further details, reference is made to the Note "Use of estimates").

The Board of Directors of the Parent Company held on 18th March 2026 approved to submit the draft financial statements as at 31 December 2025 to the shareholders, on the same date, it authorized their release and convened the Ordinary Shareholders' Meeting for 21^ April 2026.

These financial statements prepared in accordance with IFRS principles have been audited by Deloitte & Touche S.p.A.

3. ACCOUNTING STANDARDS ADOPTED

a) Basis and scope of consolidation

The consolidated financial statements include the balance sheet, economic and financial statements of the companies/entities included in the scope of consolidation (hereinafter referred to as "consolidated entities") prepared in accordance with the International Financial Reporting Standards accounting principles. Financial information relating to the consolidated entities was prepared with reference to the financial year ended on the 31st of December 2025 and was specifically and appropriately adjusted, where necessary, to comply with the Group's accounting principles. The closing date of the consolidated entities is aligned with that of the Parent Company; if this does not happen, the consolidated entities prepare special Financial Statements for the parent company's use. Listed below are the entities included in the scope of consolidation and the relative percentages of direct and indirect ownership by the Group.

List of Companies consolidated on a line-by-line basis

Company name	Investment %		Contribution to the Group %
	Direct	Indirect	
Aliveri Power Unit Maintenance SA		100%	100%
Ansaldo Energia Gulf	100%		100%
Ansaldo Energia IP UK Ltd	100%		100%
Ansaldo Energia Iranian LLC	70%	30%	100%
Ansaldo Energia Netherland Bv		100%	100%
Ansaldo Energia Nigeria Limited	60%		60%
Ansaldo Energia Spain S.L.		100%	100%
Ansaldo Energia Switzerland AG	100%		100%
Ansalod Energia Turkey		100%	100%
Ansaldo Green Tech S.p.A.	100%		
Ansaldo Nucleare S.p.A.	100%		100%
Ansaldo Russia LLC	100%		100%
Asia Power Project Private	100%		100%
CCA - Centro Combustione Ambiente	60%		60%
Ghannouch Maintenance S.a.r.l		100%	100%
Niehlgas GmbH		100%	100%
Nuclear Engineering Group Ltd		100%	100%
Yeni Aen Insaat Anonim Sirketi	100%		100%

It should be noted that the Consorzio Stabile Ansaldo New Clear was liquidated as part of broader project aimed at the reorganization and rationalization of Ansaldo's activities, including the transfer of the business to the consortium member Ansaldo Nucleare S.p.A. Furthermore, the newly established company, Ansaldo Energia Turkey, has been set up to continue projects in the Country. The Company is wholly owned by Ansaldo Energia Switzerland and the phases relating to the completion of legal matters and the novation of contracts are currently underway.

List of Companies measured using the equity method

Company name	Investment %		Contribution to the Group %
	Direct	Indirect	
Ansaldo Algerie	49%		49%
Ansaldo Gas Turbine High Technology	60%		60%
A-U Finance Holdings BV	40%		40%
Dynamic	10%	15%	25%
MAEN-Energetika ZMR	40%		40%
Nuclitalia	39%		39%
Shanghai Electric Gas Turbine	40%		40%

Nuclitalia S.r.l., a newly established company that entered the Ansaldo Energia Group's consolidation perimeter during the first half of 2025, was formed as part of the strategic agreement between Enel (51%), Ansaldo Energia (39%) and Leonardo (10%). The company was established with the aim of studying new generation nuclear technologies, in particular *Small Modular Reactor* (SMR), as well as analyzing market opportunities in the field of new sustainable nuclear energy.

Changes in the scope of consolidation

As anticipated, during 2025:

- Consorzio Stabile Ansaldo New Clear was liquidated (exit from the consolidation perimeter);
- the new company Ansaldo Energia Turkey was established (entry into the consolidation perimeter)
- Nuclitalia S.r.l was founded (entry into the consolidation perimeter).

Subsidiaries

An investor controls an entity when: (I) it is exposed, or entitled to participate, to the variables economic returns, and (ii) it can exercise its decision-making power over the entity's relevant activities in a way that affects such returns. The existence of the control shall be verified whenever facts and/or circumstances indicate a change in one of the abovementioned elements qualifying the control. The subsidiaries shall be fully consolidated from the date on which the control was acquired and shall cease to be consolidated from the date on which the control is transferred to third parties. The financial statements of the subsidiaries have closing dates coinciding with those of the Parent Company. Where the closing date of the consolidated entities is not aligned with that of the Parent Company, the consolidated entities shall prepare appropriate economic and financial situations for the purpose of drawing up the consolidated financial statements by the parent company.

The criteria adopted for full consolidation are as follows:

- the assets and liabilities, charges and income of the subsidiaries are assumed line by line, attributing to the minority shareholders, where applicable, the share of equity and net result for the period in which they are due; these shares are shown separately in the equity and income statement;
- profits and losses, including their tax effects, arising from transactions carried out between companies which have been fully consolidated and have not yet been realized against third parties, shall be eliminated, if significant, except for losses that are not eliminated if the transaction provides evidence of a reduction in the value of the transferred asset. In addition, reciprocal debt and credit postings, costs and revenues and financial charges and income are eliminated;
- In the presence of shares acquired after the acquisition of control (acquisition of third-party interests), the possible difference between the purchase cost and the corresponding portion of equity acquired is recognized in the Group's equity; similarly, the effects of the sale of minority shares without loss of control are recognized as equity. In contrast, the sales of shares resulting in the loss of control determines recognition to the income statement:
  - **I.** any gain/loss calculated as the difference between the consideration received and the corresponding fraction of consolidated net worth transferred;
  - **II.** the effect of re-measuring any residual equity retained to align it with its *fair value*;
  - **III.** of any values recognized in the other components of the total result relating to the investee whose control has failed, for which the return to the income statement is envisaged, or if the return to the income statement is not foreseen, under the item "other reserves".

  The value of any retained investment, aligned with its *fair value* at the loss of control, represents the new equity value of the stake, which is also the reference value for the subsequent valuation of the stake according to the applicable valuation criteria.

Joint arrangements

A joint controlled agreement is an agreement for which two or more parties have joint control. Joint control is the sharing, on a contractual basis, of control of an agreement, which exists only when the unanimous consent of all parties sharing control is required for decisions relating to the relevant activities.

Joint-control agreements can be of two types: joint operation and *joint ventures*.

A joint operation is an agreement in which the parties have rights to assets and obligations for liabilities under the agreement. These parties are referred to as joint managers. A joint operator must recognize its share of the assets, liabilities, costs and revenues of the jointly controlled asset.

A *joint venture* is a jointly controlled agreement in which the parties have rights to the net assets of the agreement. These parts are called *joint venturers*. A joint venture must recognize its interest in the *joint venture* as a holding and account for it under the Equity method.

Associated Companies

Associated companies are those on which the Group has a significant influence, which is assumed to exist when the participation is between 20% and 50% of the voting rights.

Associated companies are valued by the Equity method and are initially entered at cost. The Equity method is described below:

- the book value of these investments is aligned with the equity of the related company adjusted, where necessary, to reflect the application of EU International Financial Reporting Standards and includes the recognition of the higher values allocated to assets and liabilities and the possible goodwill, identified at the time of acquisition, following a process like that subsequently described for business combinations;
- profit or loss attributed to the Group accounted for from the date on which the significant influence began and until the date on which the significant influence ceases. In the event that, as a result of the losses, the company assessed by the method in question shows negative equity, the carrying amount of the investment is canceled and any excess attributable to the Group, where the latter has committed itself to fulfill the legal or implicit obligations of the related enterprise, or, in any case, to cover its losses, is recognized in a special fund; the capital changes of companies valued with the equity method, not represented by the income statement, are recorded directly in the income statement;
- unrealized profits and losses generated on transactions between a company by the latter and its subsidiaries valued with the Equity method are eliminated since the value of the Group's share in the company itself, apart from losses, where they are representative of the value reduction of the underlying asset, and dividends that are eliminated in full.

In the presence of objective evidence of loss of value, recoverability is verified by comparing the inscription value with the relative recoverable amount determined by following the criteria set out in the following Explanatory Note. When the reasons for the write-downs made are lost, the value of the investments is restored within the limits of the write-downs made with the effect charged to the income statement.

The sales of shares resulting in the loss of joint control or significant influence on the participant determines the recognition of the income statement:

- the possible gain/loss calculated as the difference between the consideration received and the corresponding fraction of the divested entry value;
- the effect of the remeasurement of any residual equity retained to align it with its *fair value*;
- of any values recognized in the other components of the total profit for the investee for which the reclassification to the profit and loss account is envisaged.

The value of any retained equity, aligned with its *fair value* at the date of loss of joint control or significant influence, represents the new equity value and therefore the reference value for subsequent valuation according to the applicable valuation criteria.

Once an investment assessed with the Equity method, or a portion, is classified as available for sale, as it meets the criteria for that classification, the investment, or the relevant portion of the investment, is no longer evaluated with the Equity method.

Business combinations

Business combination transactions, under which control of a business is acquired, are recognized in accordance with IFRS 3, applying the so-called *acquisition method*. In particular, the identifiable assets acquired, liabilities and Contingent liabilities assumed are recorded at their current value at the date of acquisition, i.e. the date on which control is acquired (the "Acquisition Date"), except for deferred tax assets and liabilities, the assets and liabilities relating to employee benefits and sales assets that are entered in accordance with the relevant accounting principles. The difference between the cost of acquisition and the current value of assets and liabilities, if positive, is recorded in intangible assets as goodwill, or, if negative, after having re-checked the correct measurement of the current values of the assets and liabilities acquired and the cost of acquisition, it is accounted for directly in the overall income statement, as income. Where the determination of the values of the assets and liabilities of the acquired business is carried out provisionally, it must be concluded within a maximum period of twelve months from the date of acquisition, considering only information relating to the facts and circumstances existing at the date of acquisition. In the period in which the above determination is concluded, the values provisionally recognized are adjusted with retrospective effect. The ancillary charges to the transaction are recognized in the total income statement at the time they are incurred. The acquisition cost is the *fair value* at the Acquisition Date of the assets transferred, liabilities assumed and equity instruments issued for the acquisition and also includes potential consideration. That is, that part of the consideration whose amount and disbursement are dependent on future events. The potential consideration is recognized since its *fair value* at the Acquisition Date and subsequent changes in fair value are recognized in the income statement if the potential consideration is a financial asset or financial liability, while potential fees classified as equity are not restated and the subsequent settlement is accounted for directly in equity.

In the case of taking over control in successive stages, the purchase cost is determined by adding the *fair value* of the investment previously made in the acquiree and the amount paid for the additional share. Any difference between the *fair value* of the investment previously held and the related equity value is charged by the total profit and loss account. When taking control, any amounts previously recognized in the other components of the total profit are charged to the total profit or loss account, or to another item of net worth, if it is not expected to be reclassified to the profit or loss account.

IFRS 5 – Assets held for sale and Discontinued Operations

The Standard provides that disposal groups and assets are classified as held for sale if their book value is recoverable mainly through their disposal rather than through their continued use.

Specifically, an asset (or Disposal groups) is classified as held for sale if it meets the following requirements:

- assets are available for sale under current conditions, and the sale is highly likely or a binding sales program or activity has already been launched to find a buyer and
- the sale is expected to be completed within one year of the classification date.

In the balance sheet, assets held for sale and assets/liabilities belonging to the disposal group are presented as a separate item from other assets and liabilities and their total is reflected in current assets and liabilities respectively.

Discontinued operation is defined as a relevant business unit or geographical area of assets classified as held for sale and covered by a coordinated *Disposal* program.

In the consolidated income statement for the period, net profit/loss of discontinued operations, as well as profit or loss arising from the valuation at *Fair value* less *costs to Sell* or the disposal of the discontinued operations or groups *(Discontinued Operations)* they are combined into a single item in the final section of the income statement, separate from the result for *Continuing Operations*.

Cash flows for *discontinued* operations are indicated separately in the Statement of cash flows.

Foreign currency Translation and balances

Foreign currency entries translation

Items expressed in currency other than functional currency, both monetary (Cash and cash equivalents, assets and liabilities that will be collected or paid with fixed or determinable amounts of money, etc.) and non-monetary (advances to suppliers of goods and/or services, etc.) are initially recognized at the exchange rate in force on the date on which the transaction is carried out. Subsequently, the monetary items are converted into functional currency on the basis of the exchange of the reporting date and the differences resulting from the conversion are charged to the profit and loss account. Non-monetary elements are maintained at the exchange rate of the transaction, except in the case of persistent unfavorable trend of the reference exchange rate: in this case, the foreign exchange differences are recognized to the profit and loss account.

Translation of balances expressed in currency other than functional currency

The rules for the translation of financial statements denominated in foreign currency into functional currency (apart from situations where the currency is that of a hyper-inflationary economy) are as follows:

- the assets and liabilities included in the situations presented shall be translated at the exchange rate at the date of closure of the period;
- the costs and revenues, charges and income, included in the situations presented, shall be translated at the average exchange rate for the period, or at the exchange rate at the date of the transaction if the transaction differs significantly from the average exchange rate;
- the “translation reserve” accepts both the exchange differences generated by the conversion of economic quantities at a rate different from the closing rate and those generated by the translation of net opening equity at an exchange rate different from the closing rate of the reporting period. The translation reserve is reclassified to profit or loss upon disposal of the investment;
- *goodwill* and fair value adjustments relating to the acquisition of a foreign operations are recognized as assets and liabilities of the foreign operations and translated the closing rate.

The exchange rates adopted for the conversion of these financial statements are shown in the following table:

	Average exchange rates	Closing Exchange rate as of 31 December 2025
AED	4.147510	4.315200
CNY	8.114930	8.226200
DZD	148.528490	152.064200
EUR	1.000000	1.000000
FSV	0.937120	0.931400
GBP	0.856610	0.872600
HUF	397.78934	385.150000
IRR	794.746.670000	980.018.000000
IRU	98.464640	105.596500
NGN	1.715.191240	1.698.674000
RUB	94.283850	96.081300
THB	39.209240	37.218000
TND	3.373270	3.394800
TYR	44.765250	50.483800
TYR_1	50.483800	50.483800
USD	1.129340	1.175000

The average and closing exchange rates of the TYR currency were the same as they relate to hyperinflationary economies, as provided for in international accounting standards.

The exchange rates used coincide with the rates transmitted by the Bank of Italy expect for the IRR and the RUB for which the rate transmitted by the Iranian Central Bank, while the second was determined by Bloomberg.

b) Accounting standards and measurement criteria

Intangible assets

Intangible assets consist of elements that are unphysical, clearly identifiable, and likely to generate future economic benefits for the enterprise.

These items are recognized at the cost of purchase and/or production, including the expenses directly attributable in the preparation of the activity to bring it into operation and the financial charges related to the acquisition, to construction or production that require a significant period to be ready for use and sale, net of cumulative depreciation (except for fixed assets for indefinite useful life) and of any losses of value. Depreciation begins when the asset is available for use and is systematically allocated in relation to the remaining use of the asset, i.e., since its useful life. In the period in which the intangible asset is recognized for the first time, depreciation is determined considering the actual use of the asset.

The following main intangible assets can be identified in the Company's activities.

Development expenses

This item includes costs relating to the application of the results of research or other knowledge to a plan or project to produce new or substantially advanced materials, devices, processes, systems, or services prior to the start of commercial production or use, for which the future production of economic benefits is demonstrable.

Research costs are, on the other hand, charged to the income statement for the period in which they are incurred.

Patent and similar rights

Patent and similar rights are recorded at the acquisition cost net of depreciation and accumulated losses of value over time. Depreciation is made from the period in which the right, for which ownership has been acquired, is available for use and is determined by taking reference the shortest period between the period of expected use and the period of ownership of the right.

Concessions, Licenses and trademarks

This category includes: concessions, that is measures provisions of the Public Administration that give to private subjects the right to exploit exclusively public goods, or to manage in regulated conditions public services; licenses which grant the right to use patents or other intangibles for a specified or determinable period of time; trademarks consisting of signs certifying the origin of products or goods from a given company; licenses for know-how, application software, owned by other parties. The costs, including the direct and indirect expenses incurred in obtaining the rights, can be capitalized between the activities after the attainment of the ownership of the same and are systematically amortized taking as reference the shortest period between the expected use and the right ownership.

Goodwill

Goodwill entered in intangible assets is related to business aggregation operations and represents the difference between the cost of acquiring a business or a business branch and the algebraic sum of the fair values allocated at the date of acquisition, individual assets and liabilities that make up the capital of that company or branch of a company. Having an indefinite useful life, the start-ups are not subject to systematic amortization, but to impairment tests at least annually, except that the market and management indicators identified by the Group do not make it necessary to carry out the test also in the preparation of the infra-annual situations.

Property, plant, and equipment

Property, plant, and equipment are valued at the cost of purchase or production, net of accumulated depreciation and any loss of value. The cost includes any directly incurred charges to prepare the activities for their use, as well as any decommissioning and removal charges that will be incurred to return the site to its original condition and the financial charges related to the acquisition, to construction or production that require a significant period to be ready for use and for sale.

Material assets whose book value will be recovered mainly by a sale transaction (rather than by the continued use of the asset) are valued at the lowest of the book value and their *fair value* net of disposal charges. Assets classified as “held for sale” must be immediately available for sale, their disposal must be highly likely (i.e., undertakings already exist) and their value of sale must be reasonable in relation to their *fair value*.

Assets acquired as a result of business combinations shall be recognized at their fair value at the date of acquisition, if any, adjusted within the following 12 months. This value represents the acquisition cost.

The costs incurred for maintenance and repairs of an ordinary and/or cyclical nature are directly charged to the income statement in the period in which they are incurred. The capitalization of costs related to the expansion, modernization or improvement of structural elements owned or in use by third parties shall be carried out only to the extent that they meet the requirements to be classified separately as an activity or part of an activity. The value of an asset is adjusted by systematic depreciation, calculated in relation to the residual possibility of using it since useful life. In the period in which the asset is recognized for the first time, depreciation is determined considering the actual date on which the asset is ready for use. The estimated useful life of the Company for the various asset classes is as follows:

	Years
Land	indefinite service life
Industrial buildings	33
Plants and machinery	20 – 5
Equipment	8 – 2.5
Furniture and fixtures	8 – 5
Motor Vehicles	5 – 4

The estimate of useful life and residual value is periodically revised.

Depreciation ends on the date of sale of the asset or its reclassification to assets held for sale.

If the property which is the object of amortization is composed of clearly identifiable elements whose useful life differs significantly from that of the other parts which make up the immobilization, depreciation is calculated separately for each of the parts which make up the asset, in application of *the component approach* principle.

This item also includes equipment for specific programs *(tooling)*, which is amortized according to the method of the units produced compared to the total expected.

Profits and losses from the sale of assets or groups of assets are determined by comparing the sale price with the net carrying amount.

Leased assets

As of 1st January 2019, Ansaldo Energia Group adopted IFRS 16 – Leasing (issued by Regulation (EU) No. 2017/1986).

Below is evidence of the general drafting criteria introduced.

Initial evaluation of the agreement

The Company assesses whether a contract is (or contains) a lease at the time of its conclusion. This assessment is only updated in the event of significant changes to the contractual terms (e.g. changes in the object or requirements affecting the right of control of the asset). If the contract also includes non-leased components, they are separated and accounted for in accordance with the applicable accounting policy, unless separation is objectively possible: In this case, IFRS 16 applies to both components.

For lease contracts in which the Company is the lessee, a right of use asset and a liability are recognized, except for short-term contracts (duration ≤ 12 months), contracts relating to low-value assets (≤ Euro 5,000) or contracts relating to Intangibles (e.g. software licenses). For these contracts, the Company does not apply IFRS16 and accounts for the fees as operating expenses.

Right of use

At the start date of the contract, the Company signs the right of use equal to the initial value of the corresponding lease liability, plus payments due for the lease before the lease start date and for any initial direct costs.

Subsequently, the right of use asset is measured net of depreciation and impairment losses.

Depreciation is recognized over the shortest period between the lease term and the useful life of the asset.

If the lease transfers ownership or the asset or the purchase option is to be exercised, the right-of-use assets amortized over the useful life of the asset. Depreciation begins at the end of the lease.

The Company applies IAS 36 to verify any impairment.

Leasing liabilities

The lease liability is initially measured as the present value of the unpaid payments at the commencement date, discounted at the implicit lease rate. If this is not available, the marginal borrowing rate, updated at least annually, is used.

Payments included in the initial valuation of the lease liability include:

- fixed payments (including fixed payments in substance), net of any lease incentives to be received;
- where applicable, the exercise price of the purchase option, if the lessee has reasonable assurance of exercising the option.

Subsequently, the liability increases for interest (using the effective interest method) and decreases for lease payments made.

The lease liability and right of use asset are revalued in the event of changes in the lease term or in the valuation of the purchase option. In the case of significant changes, the updated marginal borrowing rate shall apply; otherwise, the initial rate is maintained.

Leasing liabilities are presented in the disclosure under “Financial payables” in the balance sheet.

Use of IFRS 16 estimates

The following is a description of the main estimates adopted by the Group in accordance with IFRS 16.

- *Incremental borrowing rate*

Regarding the determination of the discount rate, the Group has chosen to refer to a marginal debt rate (*"Incremental Borrowing Rate"* or "IBR") for each contract within the scope of IFRS 16, considering the following factors:

- SWAP rates for individual currencies and individual maturities;
- estimate of the representative spread of its creditworthy merit on an unsecured 5–10-year debt made by the lessee on the basis of similar recent negotiations with bank counterparties;
- adjustment of the previous component to consider the economic context and the country in which the contract resides.

Contracts with similar characteristics are evaluated using a single discount rate.

The IBR associated with the beginning of each contract will be reviewed at each *lease modification*, i.e., substantial, and significant changes to the contractual conditions as the agreement evolves (e.g., duration of the contract or amount of future lease payments).

- *Contract duration*

Regarding the determination of the contractual term, both at the date of commencement of the contract and later (in the case of substantial and significant changes in the contractual conditions), the Group uses an evaluation approach based on the duration foreseen by the obligation agreed between the parties, compatibly with future intentions in wanting/being able to target the end and the acquired experiences.

Impairment losses

(a) Goodwill

As indicated above, goodwill is subject to impairment tests annually or more frequently, in the presence of indicators which may have been considered to have suffered a reduction in value, as provided for in IAS 36 (reduction in the value of assets). The verification is normally carried out at the end of each financial year and, therefore, the reference date for the verification is the date of closure of the financial statement.

The *impairment test* is carried out with reference to each of the cash-generating units ("CGU") to which goodwill has been allocated. Any reduction in the value of goodwill is recognized if the recoverable amount of goodwill is lower than its value in the balance sheet. Recoverable amount is the higher between the CGU's and the *fair value*, less costs of disposal, and its value in use, which is the present value of the estimated future cash flows for that asset. In determining the value of use, expected future cash flows are discounted using a discount rate after tax that reflects current market valuations of the cost of money, in relation to the investment period and the asset's specific risks.

In the event that the impairment loss exceeds the amount of goodwill allocated to the CGU, the residual surplus is allocated to the assets included in the CGU in proportion to their carrying amount. This allocation has as a minimum the highest amount of:

- the *fair value* of the asset net of sales costs;
- the value in use, as defined above;
- zero.

The original value of the goodwill cannot be restored if the reasons for reducing the value are lost.

(b) Tangible and intangible assets with a defined useful life

A check shall be carried out at each financial statement date to determine whether there are indicators that tangible and intangible assets may have been reduced in value. For this purpose, both internal and external sources of information are considered. About the first (internal sources) we consider: obsolescence or the physical deterioration of the activity, any significant changes in the use of the activity and the economic evolution of the activity with respect to what foreseen. About external sources, the following shall be considered: the development of market prices of assets, any technological, market or regulatory discontinuity, the development of market interest rates or the cost of capital used to assess investments.

If the presence of these indicators is identified, the recoverable amount of the above assets is estimated, accounting for any depreciation with respect to the relative book value in the income statement. The recoverable amount of an asset is the greater of the *fair value,* net of ancillary sales costs, and its value of use, determined by discounting the estimated future cash flows for that asset, including, if significant and reasonably determinable, those deriving from the sale at the end of its useful life, net of any disposal charges. In determining the value of use, expected future cash flows are discounted using a pre-tax discount rate that reflects current market valuations of the cost of money, in relation to the investment period and the specific risks of the asset. For an asset that does not generate largely independent cash flows, the recoverable amount is determined in relation to the cash *generating unit* to which the asset belongs.

A loss of value shall be recognized in the total income statement if the value of the asset, or of the CGU to which it is allocated, is greater than the relative recoverable amount.

The value reductions of a CGU are primarily attributable to a reduction in the book value of any Goodwill allocated to the CGU and, therefore, to a reduction in the other assets, in proportion to their book value and within the limits of their recoverable amount. If the assumptions for a write-down previously made are not fulfilled, the book value of the asset is restored with a charge to the profit and loss account, within the limits of the net book value that the asset would have not been depreciated and depreciation had been made.

Investments in other companies

Equity investments in other companies (other than those in subsidiaries, associates and joint ventures) are measured at *fair value*; the changes in the value of these investments are accounted in a reserve of equity through their allocation to the other comprehensive income which will be transferred to the consolidated separate income statement at the time of disposal or in the presence of a reduction in the value deemed definitive.

Other non-listed investments for which *fair value* cannot be reliably determined are measured at the adjusted cost for value reductions to be entered in the separate profit and loss account, in accordance with IFRS 9.

The value reductions of other holdings classified as “available-for-sale financial assets” may not be reversed thereafter.

Inventories

Inventories are entered at the lower between the cost and the net realizable value. The method chosen for determining the cost is *the weighted average* cost. Net realizable value is the selling price during normal management, net of estimated completion costs and those necessary to realize the sale. Manufactured raw materials are valued at the standard cost revised six-monthly.

The products in progress and semi-finished products are valued at the cost of production, apart from financial charges and structural overheads.

The warehouse inventories are exposed to the net of the obsolescence fund which is calculated according to the forecast (i) of unfavorable conjunctions that could be determined in the future or (ii) of risks of unsold products.

Contract asset

Work-in-progress are recognized based on the progress method (or percentage of completion) according to which costs, revenues and margin are recognized since the progress of the productive activity, determined by reference to the ratio of costs incurred at the assessment date to total expected costs on the program or based on the product units delivered.

The evaluation reflects the best estimate of the programs made at the financial statement date. Estimates are updated periodically. Any economic effects shall be accounted for in the period in which the updates are made.

If the completion of a contract is expected to result in a loss at the level of industrial margin, it is recognized in its entirety in the period in which it becomes reasonably foreseeable within the operating expenses. On the other hand, the *reversal* of these provisions is recognized as part of the other operating income if it relates to internal costs. The external cost component represents a direct use of the provision for future losses.

The Work-in-progress on order are exposed net of any write-down funds, losses on orders, advances and payments relating to the contract in progress.

This analysis is carried out on a per-job basis: if the differential is positive (due to Work-in-progress greater than the amount of the advances), the difference is classified among the assets in the item under consideration; if, on the other hand, this differential is negative, the balance sheet is classified as a liability under “advances by purchasers”. The amount shown in the advances, if not taken up at the date of preparation of the financial statement and/or the intermediate situation, is directly offset by trade credits.

Contracts with fees denominated in currency different from the functional currency (Euro for the Group) are valued by converting the accrued fee, determined on the basis of the percentage of completion method, at the change at the end of the period. However, the Group’s exchange risk policy requires that all contracts that present significant exposures of cash and payment flows to exchange rate changes be covered on time.

Financial assets

The classification of financial assets by category in accordance with the IFRS 9 principle is given below.

Financial assets valued at amortized cost

Financial assets for which the following requirements are verified shall be classified in this category:

A. the asset is held within a business model whose objective is the possession of the asset for the collection of contractual cash flows; and

B. the contractual terms of the asset provide for cash flows represented solely by payments of capital and interest on the amount of capital to be repaid.

These are mainly accounts receivable, financing, and other credits.

Trade receivables that do not contain a significant financial component are recognized at the price defined for the relevant transaction (determined in accordance with IFRS 15 Revenue from contracts with customers).

The other credits and financing are initially recognized in the balance sheet at their *fair value* plus any ancillary costs directly attributable to the transactions that generated them. In the subsequent measurement, depreciated-cost financial assets, except for credits that do not contain a significant financial component, are measured using the actual interest rate. The effects of this measurement are recognized among the financial components of income.

Financial assets at fair value through profit or loss ("FVOCI")

Financial assets for which the following requirements are verified shall be classified in this category:

A. the asset is held within the framework of a business model whose objective is achieved both through the collection of contractual cash flows and through the sale of the asset; and

B. the contractual terms of the asset provide for cash flows represented solely by payments of capital and interest on the amount of capital to be repaid.

These assets are initially recognized in the balance sheet at their fair value plus any ancillary costs directly attributable to the transactions that generated them. At the next measurement, the valuation made at the registration stage is updated and any changes in fair value are recognized in the overall income statement.

Financial assets at fair value with a balancing entry on the income statement ("FVPL")

Financial assets which are not classified in any of the previous categories (i.e., residual category) are classified in this category. These are mainly derivative instruments.

Assets in this category are recognized at fair value at the time of their initial recognition. The ancillary costs incurred when the asset is registered shall be charged immediately to the profit and loss account. At the next measurement, the FVPL financial assets are measured at fair value. Gains and losses arising from changes in fair value are accounted for in the income statement during the period in which they are recognized under "gains (losses) from assets measured at *fair value*". Purchases and disposals of financial assets are accounted for at the date of settlement.

Financial assets are removed from the balance sheet when their contractual rights expire, or when the Company transfers all risks and benefits of ownership of the financial asset.

Please refer to the ECL section for the analysis of expected credit losses.

Derivatives

Ansaldo Energia Group availed itself of the possibility foreseen in § 7.2.21 of IFRS 9 to postpone the adoption of the hedge accounting module of the same accounting standard and to continue to apply the provisions of IAS 39 for accounting for derivatives as hedging instruments.

Derivative instruments are always regarded as assets held for trading purposes and valued at *fair value* in return for the profit and loss account. Except where they are suitable for hedging and effective in sterilizing the risk of underlying assets or liabilities or commitments entered by the Company.

In particular, the Group uses derivative instruments as part of hedging strategies aimed at neutralizing the foreign exchange risks in the fair value of assets or liabilities recognized in financial statements or arising from contractually defined commitments (fair value hedge) or changes in expected cash flows in relation to contractually defined or highly probable transactions (cash flow hedge). For the measurements followed on the recognizing of the hedges against exchange rate risk on long-term contracts "Estimate of the costs at the end of long-term contracts".

The effectiveness of hedging transactions is documented at the beginning of the transaction and is periodically (at least at each date of publication of the financial statements or of the interim situations) measured by comparing the changes in the *fair value* of the hedging instrument with those of the hedged item or, in the case of more complex instruments, through statistical analyzes based on risk variation.

- *Hedging of long-term contracts against foreign exchange risk*

In order not to be exposed to changes in cash and payment flows relating to long-term construction contracts denominated in currencies other than functional, the Group specifically covers the expected individual flows of the contract. The hedges are implemented at the time of the finalization of the commercial contracts except where the acquisition of the same is considered highly likely because of previous framework contracts. The exchange risk is generally neutralized using *plain vanilla (forward)* instruments; in all cases where coverage is not effective, changes in the *fair value* of such instruments are immediately recognized in the profit and loss account as financial accounts, while the underlying is assessed as if it were not covered, affected by changes in the exchange rate. The hedges belonging to the first instrument shown are recognized in the balance sheet on the basis of the cash flow hedge accounting model, considering the part as ineffective, relating to the premium or the forward discount or to the time value in the case of options, which is recognized between the financial lots.

- *Fair Value Hedge*

Changes in the value of derivatives designated as *fair value hedge* and qualifying as such are recognized in the profit and loss account, similar to changes in the *fair value* of the covered assets or liabilities attributable to the risk neutralized through the hedging transaction.

- *Cash Flow Hedge*

Changes in the *fair value* of derivatives designated as *cash flow hedge* and qualifying as such are recognized, limited to the "effective" share only, in a specific equity reserve ("cash *flow hedge reserve*"), which is subsequently returned to the profit and loss account at the time of the economic manifestation of the underlying hedging object. The change in *fair value* related to the ineffective portion is immediately recognized in the income statement for the period. If the underlying transaction is no longer considered highly probable, the relevant "cash flow hedge reserve" is immediately returned to the separate income statement. If, on the other hand, the derivative instrument is sold or no longer qualifies as effective cover on the risk against which the transaction was ignited, the relevant *"cash flow hedge reserve"* shall be retained until the underlying contract is revealed.

- *Fair value measurement*

The *fair value* valuations of financial instruments are carried out in accordance with IFRS 13 *"Fair Value Measurement"*. *Fair value* is the price that would be perceived for the sale of an asset or that would be paid for the transfer of a liability in the context of an ordinary transaction between market participants at the date of measurement.

The valuation at *fair value* assumes that the transaction of sale of the asset or transfer of the liability takes place in the main market, i.e., in the market in which the highest volume and level of transactions occur for the asset or liability. In the absence of a main market, the transaction is assumed to take place in the most advantageous market to which the Group has access, that is, the market that is likely to maximize the results of the sale transaction of the asset or minimize the amount to be paid to transfer the liability.

The fair value of an asset or liability is determined by considering the assumptions that market participants would use to determine the price of the asset or liability, if they act according to their best economic interest. Market participants are independent, informed buyers and sellers who can enter a transaction for the asset or liability and who are motivated, but not obliged or induced to make the transaction.

In the Fair Value Measurement, the Group considers the characteristics of the specific assets or liabilities, for non-financial assets, the ability of a market operator to generate economic benefits by using the activity at its maximum and best use or by selling it to another market operator capable of using it in its maximum and best use. The Fair Value Measurement of assets and liabilities is carried out using techniques appropriate to the circumstances and for which sufficient data is available, maximizing the use of observable inputs.

IFRS 13 identifies the following hierarchy of *fair value* levels that reflects the significance of inputs used in determining them:

- Level 1 – quoted price (active market): the data used in the valuations are represented by quoted prices on markets in which assets and liabilities are exchanged that are identical to those valued.
- Level 2 – use of market observable parameters (e.g., for derivatives, exchange rates recorded by the Bank of Italy, market rate curves, volatility provided by qualified providers, credit *spreads* calculated on the basis of CDS, etc.) other than the quoted prices of level 1.
- Level 3 – use of parameters that cannot be observed on the market (internal assumptions, e.g., cash flows, risk-adjusted spreads, etc.).

Derecognition of financial assets and liabilities

A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is deleted from the balance sheet when:

- the rights to receive cash flows from the asset are extinguished;
- the Company retains the right to receive cash flows from the business, but has assumed the contractual obligation to pay them in full and without delay to a third party;
- the Company has transferred the right to receive cash flows from the asset and (a) has transferred substantially all risks and benefits of ownership of the asset, or (b) has not transferred or retained substantially all risks and benefits of the asset but has transferred control of the asset.

A financial liability is canceled from the balance sheet when the underlying obligation of the liability is extinguished, canceled, or fulfilled.

Cash and cash equivalents

Includes money, bank deposits or other credit institutions available for current transactions, postal accounts and other equivalent values, and investments expiring within three months of the date of purchase. Availability is recorded at *fair value*.

Payables and other liabilities (excluding derivatives)

Payables and other liabilities include financial debts, lease debts, and trade debts.

Banks borrowing and other lenders are initially entered at *fair value* net of directly attributable transaction costs and are then measured at amortized cost, using the effective interest rate criterion. If there is a change in expected cash flow, the value of the liabilities is recalculated to reflect this change based on the present value of the new expected cash flows and the internal rate of return initially determined.

Leasing debts are recognized as provided for in IFRS 16, previously commented.

Trade debts are obligations to pay for goods or services acquired by suppliers in the ordinary course of business. Accounts payable are classified as current liabilities if payment is made within one year of the financial statement date. Otherwise, these debts are classified as non-current liabilities.

Commercial debts and other debts are recognized initially at *fair value* and then measured according to the amortized cost method.

When a financial liability is covered by the "interest rate" risk in a *fair value* hedge, changes in f*air value* due to the risk covered are not included in the calculation of the amortized cost. These changes are amortized from the time the *fair value hedge accounting* is stopped.

Financial liabilities are derecognized from the balance sheet when the underlying obligation of the liability is extinguished, canceled or fulfilled.

With regard to the *derecognition* of a financial liability, the settlement of the financial liability and the recognition of a new liability must be accounted for when the contractual terms are substantially different. The terms shall be substantially different if the discounted value of cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, it differs at least 10% from the discounted value of the remaining cash flows of the original financial liability. If an exchange of debt instruments or a change in terms is accounted for as an extinguishment, any costs or fees incurred are recognized as part of the profit or loss related to the extinguishment. If the exchange or change is not accounted for as an extinction, any costs or fees incurred will adjust the book value of the liability and be amortized over the remainder of the modified liability.

Equity

Share capital

Share capital shall be the capital subscribed and paid-in share capital of the Parent Company. The costs closely related to the issue of shares are classified as a reduction in the share capital, when the costs are directly attributable to capital transaction, net of any deferred tax effect.

Treasury Shares

Treasury Shares are registered in a reduction of shareholders' equity. In the case of repurchase of shares recognized in equity, or the consideration paid, including the costs directly attributable to the transaction, is recognized as a reduction in equity. The shares thus repurchased are classified as Treasury Stock and recognized in the reserve for Treasury Stock. The consideration received from the subsequent sale or reissue of Treasury Stock is recognized as an increase in equity. Any positive or negative difference arising from the transaction is recognized in the reserve by Additional Paid in Capital. In accordance with IAS 32, Treasury Stock are recorded as a reduction in equity using the Share Price reserve. The original cost, impairment losses, income and losses resulting from any subsequent sales are recognized as movements of equity.

Employee benefits

Post-employment benefits

The Group companies use several pension schemes (or supplementary schemes) which can be divided into:

- *Defined contribution plans* in which an enterprise pays fixed contributions to a separate entity (e.g., a fund) and will have no legal or implied obligation to pay additional contributions if the entity does not have sufficient assets to pay benefits in connection with the performance rendered during the business activity in the enterprise. The enterprise recognizes contributions to the plan only when employees have lent their business in exchange for those contributions;
- *Defined benefit plans* in which the enterprise undertakes to grant the agreed benefits for employees in service and for former employees by taking the actuarial and investment risks related to the plan. The cost of this plan is therefore not defined on the basis of the contributions due for the period, but is restated on the basis of demographic assumptions, statistics and wage dynamics. The methodology used is called the "unit credit projection method".

As a result of this option, the value of the liability entered in the balance sheet is aligned with that resulting from the actuarial valuation of the liability, with immediate and complete recognition of actuarial gains and losses, during the period in which they emerge in the total income statement, through a specific reserve of *other comprehensive* income ("reserve actuarial gains (losses) in equity").

Other long-term employee benefits and post-employment benefits

The Group recognizes employees with certain *benefits* (for example, on reaching a certain length of service in the company, seniority bonuses) which, in some cases, are recognized even after retirement (for example, medical care). The accounting treatment is the same as that indicated with reference to defined benefit plans, and the "projected unit credit method" is also applied to these cases.

However, in the case of "other long-term benefits" any actuarial gains or losses are recognized immediately and in full in the period in which they emerge in the income statement.

Employee termination benefits and incentive plans

The benefits due to employees for termination of employment are recognized as liabilities and costs when the enterprise is engaged, in a manner that is reasonable to terminate the employment of an employee or group of employees before normal retirement or to provide benefits for termination of employment following a proposal to encourage voluntary resignation for redundancies. The benefits due to employees for termination of employment do not provide the enterprise with future economic benefits and are therefore recognized immediately as cost.

Provisions for risks and charges

Provisions for risks and charges are recognized when, at the reference date, there is a legal or implicit obligation to third parties arising from a past event. it is likely that a disbursement of resources of a reliable amount will be required to meet the obligation. This amount represents the best discounted estimate of the expenditure required to settle the obligation. The rate used in determining the present value of the liability reflects current market values and includes the additional effects related to the specific risk associated with each liability.

Changes in estimates are reflected in the income statement for the period in which the change occurs.

Estimate of the costs at the end of long-term contracts

The Group operates in *business* sectors and with particularly complex contractual schemes, recognized in the financial statements through the percentage of completion method. The margins recognized in the profit and loss account are a function of both the progress of the contract and the margins which are deemed to be recognized for the entire work at its completion: therefore, the correct recognition of the work-in-progress and the margins relating to works not yet completed presupposes the correct estimate by the *management* of the final costs, of the increases assumed, as well as of the delays, of the extra-costs and of the penalties that could compress the expected margin. To better support *management* estimates, management and contract risk analysis schemes have been adopted to identify, monitor and quantify risks related to the performance of such contracts (for more details, see Note "use of estimates"). The values entered in the financial statements represent the best estimate at the date made by the *management*, with the help of these procedural supports.

Moreover, the activity is aimed at sectors and markets where many problems, both assets and liabilities, are resolved only after a significant period, especially in cases where the counterparty is represented by public client, the *management* needs to estimate the results of these disputes.

Revenues

Revenues are recognized in accordance with IFRS 15. The latter provides for the recognition of revenues from contracts with customers for an amount that reflects the consideration to which the entity considers that it is entitled in exchange for the transfer of goods or services to the customer.

Revenue is recognized when the relevant *Performance Obligation* is satisfied, i.e., when the promised goods or services are transferred to the customer. The transfer is considered complete when the customer obtains control of the good or the service, which can take place in the continuous *(over time)* or in a specific time *(at a point in time).*

Revenues for *performance obligations* met *over the time* are recognized on the basis of the progress method (or percentage of completion) according to which costs, revenues and margin are recognized on the basis of the progress of the productive activity, determined by reference to the ratio of costs incurred at the assessment date to total expected costs on the program or on the basis of the product units delivered.

The evaluation reflects the best estimate of the programs made at the financial statement date. Estimates are updated periodically. Any economic effects shall be accounted for in the period in which the updates are made. If the completion of a contract is expected to result in a loss at the level of industrial margin, it is recognized in its entirety in the period in which it becomes reasonably foreseeable within the Operating expenses. On the other hand, the reversal of these provisions is recognized as part of the other operating income if it relates to internal costs. The external cost component represents direct use of the final loss fund.

The evaluation of the lifetime revenue of the multi-year projects considers, as provided for in IFRS 15, the *"variable consideration"* in the case of applicability of escalation indices as the best estimate at the date of preparation of the Financial Statements.

Grants

Grants, in the presence of a formal award decision, are recognized by competence in direct correlation with the costs incurred. Grants related to plants are recognized to the profit and loss account directly in relation to the amortization process to which the assets/projects relate and are brought to a direct reduction of the amortization itself and, in the balance sheet, in the value of the capitalized asset for the residual value not yet credited to the income statement.

Costs

Costs are recognized in accordance with the principles of relevance and accrual accounting.

Financial income and expenses

Interest is recognized in the profit and loss account for competence on the basis of the actual interest method, using, that is, the interest rate that makes all the incoming and outgoing flows (including any payments, divestones, commissions, etc.) that make up a given transaction.

The financial charges related to the acquisition, construction or production of certain assets that require a significant period to be ready for use or for sale *"qualifying asset"* are capitalized together with the asset.

Dividends

They are recognized when the shareholders' right to receive the payment which normally corresponds to the shareholders' decision to distribute the dividends.

The distribution of dividends to shareholders is represented as a movement of equity and is recorded as a liability in the period in which the distribution of the same is approved by the shareholders' meeting.

Taxes

The Group's tax charge is current taxes and deferred taxes. Where they relate to components recognized in the income and charges recognized as equity, in the total income statement, these taxes shall be entered in return in the same item.

Current taxes are calculated on the basis of the tax law applicable in the countries in which the Groups operates, in force at the date of the financial statements; any risk arising from different interpretations of positive or negative income components, as well as ongoing disputes with the tax authorities, shall be assessed at least quarterly intervals in order to adjust the appropriations entered in the financial statements. Deferred taxes are calculated based on temporary differences between the book value of assets and liabilities and their tax value. The valuation of deferred tax assets and liabilities is made by applying the rate expected to be in force at the time the temporary differences are reverted, which is made on the basis of the tax legislation in force or substantially in force at the reference date of the period. Deferred tax assets are recognized to the extent that it is considered probable that, in periods in which the relative temporary differences are due, taxable income is at least equal to the amount of the differences that will be derecognized.

Related party transactions

Related parties mean those companies that share the same parent with the Group, companies that directly or indirectly control it, or are jointly controlled by the Group, and those in which the Group holds such a holding that it can exercise significant influence. The definition of Related parties also includes members of the Companies' Board of Directors and executives with strategic responsibilities. Managers with strategic responsibilities are those who have the power and responsibility, direct or indirect, for the planning, management, and control of the Group's activities.

4. ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS IN FORCE SINCE 1 JANUARY 2025

The following accounting standards, amendments and interpretations IFRS were first applied by the Group as of January 1st, 2025: :

- On August 15th, 2023, the IASB published an amendment called *"Amendments to IAS 21 the effects of changes in Foreign Exchange Rates: Lack of Exchangeability"*. The document requires an entity to identify a methodology to be applied consistently in order to verify whether one currency can be converted to another and, where this is not possible, how to determine the exchange rate to be used and the disclosure to be provided in the notes. The adoption of this amendment has not had any financial statement effects on the Group.

5. ACCOUNTING STANDARDS, IFRS AMENDMENTS AND INTERPRETATIONS APPROVED BY THE EUROPEAN UNION, NOT YET MANDATORY AND NOT EARLY ADOPTED

At the date of reference of this document, the competent bodies of the European Union have concluded the approval process necessary for the adoption of the amendments and principles described below, but these principles are not necessarily applicable and have not been adopted in advance by the Group as of 31st December 2025:

- On 30th May, 2024, the IASB published the document *"Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7"*. The document clarifies some problematic aspects of the *post-implementation review* of IFRS 9, including the accounting treatment of financial assets whose returns vary when the attainment of green bonds (ESG) targets. In particular, the purpose of the amendments is to:
  - Clarify the classification of financial assets with variable returns linked to environmental, social and corporate governance (ESG) objectives and the criteria to be used for the assessment of the SPPI test;
  - determine that the date of settlement of liabilities through electronic payment systems is the date on which the liability is settled. However, an entity is allowed to adopt an accounting policy to enable it to dispose of a financial liability in full before delivering liquidity at the settlement date under specific conditions.

  With these amendments, the IASB also introduced additional information requirements regarding in particular to investments in capital instruments designated by FVOCI.
  The changes will apply from the financial statements for the financial years beginning on 1st January 2026, but early application is permitted.
  At present, the directors are considering the possible effects of the introduction of this amendment on the Group's financial statements:

- On 18th December 2024, the IASB published an amendment called *"Contracts Referencing Nature-dependent Electricity – Amendment to IFRS 9 and IFRS 7"*. The document aims to support entities in reporting the financial effects of contracts for the purchase of electricity from renewable sources (often structured as *Power Purchase Agreements*). On the basis of these contracts, the amount of electricity generated and purchased may vary depending on factors such as weather conditions that cannot be controlled. The IASB has made amendments aimed at the IFRS 9 and IFRS 7 principles. Amendments include:

- clarification of the application of *"own use"* requirements to this type of contract;
- the criteria for allowing such contracts to be entered into as hedging instruments; and,
- new disclosure requirements to enable users of financial statements to understand the effect of these contracts on the financial performance and cash flows of an entity.

The change will apply from 1st January 2026, but it is allowed to be applied in advance. Directors do not expect a significant effect on the Company's financial statements by not having contracts that fall under the *Power Purchase Agreements category*.

- On 18th July 2024, the IASB published a document called *"Annual improvements Volume 11"*. This document includes clarifications, simplifications, corrections, and changes to improve the consistency of different IFRS accounting standards. The revised principles are:
  - IFRS 1 *first-time adoption of IFRS*;
  - IFRS 7 financial instruments: disclosures and related guidelines on the implementation of IFRS 7;
  - IFRS 9 Financial Instruments;
  - IFRS 10 Consolidated Financial statements; and
  - IAS 7 Statement of Cash flows.

  The amendments will apply from the financial statements for the financial years beginning on 1st January 2026. At present, the directors are considering the possible effects of the introduction of this amendment on the financial statement.

6. IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET APPROVED BY THE EUROPEAN UNION

At the reference date of this document, the competent bodies of the European Union have not yet completed the approval process necessary for the adoption of the amendments and principles described below.

- On 9th April 2024, the IASB published a new *IFRS 18 Presentation and Disclosure in Financial statements Standard which will replace IAS 1 Presentation of Financial statements*. The aim of the new principle is to improve the Presentation of financial statement schemes, with particular reference to the income statement scheme. In particular, the new principle requires:
  - classify revenues and costs into three new categories (operating section, investment section and financial section), in addition to the tax and discontinued categories already present in the income statement scheme;
  - Submit two new sub-totals, the operating result and the result before interest and tax (i.e. EBIT).

The new principle also:
- requires more information on performance indicators defined by management;
- introduces new criteria for aggregation and disaggregation of information, and
- introduces some changes to the Statement of cash flows scheme, including the request to use the operating result as a starting point for the Presentation del Statement of cash flows prepared by the indirect method and the elimination of some classification options for some currently existing items (such as interest paid, interest collected, dividends paid and dividends received).

The new principle will come into force on 1st January 2027, but early application is allowed.
At the moment, the directors are considering the possible effects of the introduction of this new principle on the Group's financial statements.

- On 9th May 2024, the IASB published a new *IFRS 19 Subsidiaries without Public Accountability: Disclosures* (together with *Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures published* on 21 August 2025) principle. The new principle introduces some simplifications with reference to the information required by the IFRS accounting standards in the financial statements of a subsidiary, which meets the following requirements:
  - has not issued equity or debt instruments listed on a regulated market and is not in the process of issuing them;
  - Its parent company prepares consolidated financial statements in accordance with IFRS principles.

  The new principle will come into force on 1st January 2027, but early application is allowed.
  This standard will not apply to a consolidated financial statement, but only to the financial statements of companies by the Parent Company that prepared consolidated financial statements in accordance with IFRS standard.

- On 13th November 2025, the IASB published a document called *"Translation to a Hyperinflationary Presentation Currency – Amendment to IAS 21"* clarifying the conversion procedures for an entity whose currency of presentation is that of a hyperinflationary economy. The entity applies the changes if:
  - its functional currency is that of a non-hyperinflationary economy and is converting its economic performance and financial balance sheet into the currency of a hyperinflationary economy; or,
  - it is converting the economic performance and financial balance sheet of a foreign operation whose functional currency is that of a non-hyperinflationary economy into the currency of a hyperinflationary economy.

  The changes will apply from the financial statements for the financial years beginning on 1st January 2027.
  This standard will not apply to a consolidated financial statement, but only to the financial statements of companies by the Parent Company that prepared consolidated financial statements in accordance with IFRS standard.

- On 30th January 2014, the IASB published the *IFRS 14 – Regulatory Deferral Accounts* principle, which allows only those who adopt the IFRS for the first time to continue to recognize amounts relating to activities subject to "Rate Regulation activities" in accordance with the previous accounting principles adopted. Since the Group is not a *first-time adopter*, this principle is not applicable.

7. USE OF ESTIMATES AND DISCRETIONARY JUDGMENTS

The preparation of financial statements requires the application of accounting principles and methodologies which, in certain circumstances, are based on difficult and subjective estimates and estimates based on historical experience and assumptions which are considered reasonable and realistic in relation to the circumstances.

The application of these discretionary assessments and estimates and assumptions affect the amounts shown in the schemes of the financial statements, the balance sheet statements, the income statement, the statement of comprehensive income, the Statement of cash flows, and the information provided.

Whereas several items of accounting for the financial statements are estimated, although not all these are individually significant, they are as a whole, the following briefly describes the areas that require more than others a greater subjectivity on, the part of the Directors in the elaboration of estimates and for which a change in the conditions underlying the assumptions used could have a significant impact on the Group's financial results.

Deferred tax assets

Deferred tax assets are recognized in consideration of deductible temporary differences between the values of assets and liabilities expressed in the balance sheet and the corresponding tax value. A discretionary assessment is required of directors to determine the amount of deferred tax assets that can be accounted for; it depends on the estimate of the likely time and amount of future taxable profits.

Provision for doubtful receivables

The recoverability of the claims is assessed considering their insolvency risk, their seniority and the expected losses on claims recognized for similar types of claims. Please refer to the "expected Credit Loss Analysis" section dedicated to ECL for further details.

Provision for risks and charges

In the face of legal and fiscal risks, provisions representing negative outcome phenomena are recognized. The value of the provisions entered in the balance sheet relating to these risks is the best estimate made by the Directors at the time. This estimate involves the adoption of assumptions that depend on factors that may change over time and that could, therefore, have significant effects on the current estimates made by the Directors for the preparation of the Group's Consolidated Financial Statements.

Provision for Inventory Obsolescence

Where the net realizable value is lower than the cost, the inventory write-down must be carried out and the loss of value recognized in the income statement.

Impairment of assets

Goodwill and other tangible and intangible assets and investments for a defined useful life are subject to verification to determine whether a reduction in value has been achieved, which must be recognized by devaluation, when there are indicators that make it difficult to recover the net book value by use. The verification of the existence of the above indicators requires, by the directors, the exercise of subjective assessments based on the information available within the Group and on the market, as well as on historical experience. In addition, if it is determined that a potential reduction in value may have been generated, the Group shall determine the reduction using valuation techniques deemed appropriate. The correct identification of the indicators of the existence of a potential reduction in the value of tangible and intangible assets, as well as the estimates for their determination, depend on factors that may vary over time, influencing the assessments and estimates made by the directors.

Useful life depreciation and amortization

The cost of tangible and intangible assets with a defined useful life is amortized straight-line over the estimated useful life of the related assets. The economic useful life of these assets is determined by the directors at the time they are purchased; it is based on historical experience for similar assets, market conditions and advances concerning future events that could impact the useful life of assets, including changes in technology. Thus, actual economic life may differ from estimated useful life.

As provided for in IAS 8 (Accounting Policies, changes in Accounting estimates and errors) paragraph 10, in the absence of a Standard or Interpretation that is specifically applicable to a particular transaction, management shall define, through weighted subjective assessments, the accounting methodologies to be adopted, With a view to providing a balance sheet that accurately represents the Company's balance sheet, economic performance and financial flows, that reflects the economic substance of the transactions, is neutral, drawn up on a prudential basis and complete in all relevant respects.

Recognition of revenues and costs relating to contract work in progress

The Group uses the percentage of completion method to account for long-term contracts. The margins recognized in the profit and loss account are a function of both the progress of the contract and the margins which are deemed to be recognized for the entire work at its completion; therefore, the correct recognition of the work-in-progress and the margins relating to works not yet completed presupposes the correct estimation by the directors of the costs at the end, of the increases assumed, as well as of the delays, the extra costs and the penalties that could compress the expected margin. Using the percentage Completion method requires the Group to estimate the cost of completion, which involves taking estimates that depend on factors that may change over time and that could therefore have significant effects on current values. If the actual cost is different from the estimated cost, this change will affect the results of future periods.

Going concern

The applicability of the assumption of going concern and the identification of any uncertainties that may raise doubts about the ability of the Company to continue operating under operating conditions is an assessment that is the responsibility of the directors based on future perspectives. This assessment requires both the use of projections of the economic and financial performance of the company and an assessment by the directors based on the available information. The assessment made by the directors is part of the discretionary assessments.

8. RISK MANAGEMENT

The Group is exposed to financial risks related to its operations, related to the following cases:

- *Macroeconomic scenario and geopolitical uncertainty:* the Group addresses this risk by pursuing the objective of increasing its industrial efficiency and improving its capacity to execute orders, while reducing structure costs.
- *Long-term fixed-price contracts:* the Group's response to this risk is reflected in the application of price escalation formulas to medium/long-term orders and/or requiring project suppliers to apply the same clauses. These analyzes involve top management and various business functions.
- *Customer liability:* the Group is exposed to risks of liability toward customers or third parties connected with the correct execution of the contracts, to which it is liable by the conclusion of insurance policies normally available on the market to cover any damage caused. The risk of damage not covered by insurance policies or exceeding the insured limits or of an increase in insurance premiums occurring in the future is constantly monitored by management.
- *Country regulation compliance:* the Group monitors, through special structures, the constant updating with reference regulations, making the start of commercial actions subject to the verification of compliance with the restrictions and to the obtaining of the necessary authorizations.

Financial risks can be described as follows:

- *Liquidity risks,* i.e. the risk that the available financial resources are not sufficient to meet the obligations promptly in the agreed terms and deadlines;
- *Interest rate risks,* related to the Group's financial exposure, which generate interests;
- *Exchange-rate risks* related to operations in currency areas other than denomination;
- *Credit risks,* represented by the possibility that commercial counterparties do not comply with their contractual obligations, resulting in an economic loss for the Group.

The Group specifically monitors each of the aforementioned financial risks, taking action to minimize them.

The following paragraphs analyze the potential impact on the results resulting from hypothetical fluctuations in the reference parameters. These analyzes are based, as provided for in IFRS 7, on simplified scenarios applied to the final data of the periods referred to and, by their very nature, they cannot be regarded as indicators of the real effects of future changes in the benchmarks in relation to a different capital and financial structure and market conditions, nor can they reflect the interrelations and complexity of the reference markets.

The following paragraphs analyze the different types of risk.

Liquidity risk

Liquidity risk represents the possibility that, due to the inability to raise new funds or to liquidate assets on the market, the Group will not be able to meet its payment commitments, resulting from the usual commercial and investment dynamics, as well as those linked to the volatility of the reference markets. This risk could have a negative impact on the economic result if it was forced to incur additional costs to meet its commitments or insolvency.

The Group's objective is to implement a financial structure which, in accordance with the business objectives and with the defined limits, (i) ensures an adequate level of liquidity, minimizing the relevant opportunity cost and (ii) maintains a balance in terms of maturity and debt composition.

The table below shows a maturity analysis, based on contractual repayment obligations, relating to capitalized values of the bond loan, trade debt and other outstanding liabilities as of 31st December 2025 compared with the previous financial year. The first column represents the balance of the balance sheet at the end of the year, while the following columns represent the *cash-outs* expected at the indicated deadlines, including interest.

Euro/thousand	Amount as of 31 December, 2025	Within 1 year	Over 1 year and up to 5 years	Over 5 years	Total
Other current and non-current financial liabilities	767,284	121,592	814,259	31,153	967,004
Trade payables	398,813	398,813			398,813
Other current and non-current liabilities	230,300	196,177	34,123		230,300

Euro/thousand	Amount as of 31 December, 2024	Within 1 year	Over 1 year and up to 5 years	Over 5 years	Total
Other current and non-current financial liabilities	865,481	180,935	835,909	10,031	1,026,875
Trade payables	391,361	391,361			391,361
Other current and non-current liabilities	220,838	184,597	36,241		220,838

Interest rate risk

The Group, as a result of the structure of its debt, is exposed to changes in interest rate.

In order to stabilize the fluctuations in financial interests, Ansaldo Energia has concluded *Interest Rate Swap* contracts with some financial institutions.

As of 31st December 2025, the share covered was 48% of the Company's bank debt on term loan and guaranteed SACE loans.

Foreign exchange risk

The Group as a result of its commercial operations, is exposed to the risk of exchange-rate fluctuations in cases where the order, revenue and cost portfolios are expressed in currencies other than the functional currency of the financial statements. These risks are part of the type of transactive risks. The management of exchange risk is governed by the policy in force in the Group, whose objective is to standardize the management criteria according to an industrial and non-speculative logic, aimed at minimizing risks within the limits identified by the analysis of all foreign exchange positions.

The Group's procedures provide for the management to assess the opportunity to cover when acquiring the most significant contracts. The risk may concern both revenues and costs expressed in currency other than the Company's reporting currency.

As of 31 December 2025, the total notional value in euro of sales hedge by derivative instruments on sale amounted to Euro 3,324 thousand, while the purchase value amounted to Euro 45,919 thousand. Given the above, and in particular net of the effect of the policy of hedging transactions in currencies other than the Euro, the *sensitivity* analysis on exchange rate changes is not significant.

Furthermore, the Group is exposed to the so-called" translation risk", meaning the risk that the assets, liabilities and results of the consolidated companies preparing financial statement in currencies other than the euro will assume, different values in euro as a result of exchange rate changes. These effects are reflected in the "Translation reserve" and "economic performance" within equity. It is noted that the Group does not adopt "translation" foreign exchange risk hedging instruments for its investments in equity investments, the most important of which are those in Switzerland and the United Kingdom. As a result, the Group is exposed to asset volatility, with direct impacts on the size of the net debt, influenced by the realignment effect of the assets and liabilities denominated in foreign currency. The effects on equity are set out in the following paragraphs.

Credit risk

The Group is exposed to credit risk, i.e. it is exposed to potential losses resulting from failure to fulfil the obligations assumed by the counterparties.

In order to mitigate exposure to this risk, the Group has established an appropriate organizational structure and adopted procedural rules.

In particular, depending on the potential contractual amount, the type of customer, his credit merit and the country of reference, caution is required both in the structuring of the payment terms, in order to limit and, where possible, eliminate any financial exposure in relation to cash flow, both in the negotiation and structuring of dedicated financial instruments of Trade/Export Finance with the possible involvement of the *Export Credit Agencies*, among which SACE is recalled as a *National Export Credit Agency*.

The following table gives a breakdown of commercial credits, grouped by expired and geographical area, before allowance for doubtful accounts:

Euro/thousand	Italy	Europe, CIS*, Africa, Middle East	America area	Asia and Oceania area	Total
Not due yet	47,653	74,164	4,631	26,273	**152,722**
Overdue by less than six months	5,895	70,292	791	10,769	**87,747**
Overdue between six months and one year	6,781	31,820	6	1,944	**40,551**
Overdue between one and five years	2,038	44,457	-	10,587	**57,081**
Overdue by more than five years	6,216	6,156	2,824	656	**15,852**
	68,583	**226,889**	**8,252**	**50,230**	**353,954**

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The provision mainly covers the oldest maturity bands (between 1 and 5 years and over 5 years), for more than 70%; for about 5% the depreciation fund refers to the country risk calculated on the positions not expired, while the remainder relates to the maturity in the year.

Expected credit loss analysis

In accordance with IFRS 9, the Group carries out an analysis of commercial credits and estimates the probability of recoverability by using all the information available from internal and external sources.

Group operates in a business characterized by a limited number of large customers (typically state-owned companies) where commercial credits are normally settled within one year. Management considers any technical risk that could cause a delay in the collection of commercial credits already at project level.

Moreover, for certain specific commercial credits, a country-default risk is incorporated into the cost financial statements of individual contracts.

Considering the requirements of IFRS 9, the Group also conducted a specific analysis of claims that have not expired or expired for less than a year, taking into account the risk of default Country (where the customer's specific default risk is not available), applying it to at least 40% of the amount claimed (loss given default). The analysis confirmed, also in the light of the contingencies already included in the full-life costs of the orders and the additional risk funds entered in the financial statement, the allowance for doubtful accounts' consistency with an amount in the order of Euro 5 million.

For derivatives, the ECL analysis was included in the fair value valuations of instruments.

Management carried out short-term ECL analyses of cash and cash equivalents by analyzing the default risk of banks, with no significant impact.

The analysis was also carried out with regard to the Parent Company Guarantees, which led to a reasonable determination of a fund of approximately EUR 0.2 million as of 31 December 2025.

9. CAPITAL MANAGEMENT

The management of the Group's capital is aimed at ensuring solid credit standing and adequate levels of capital indicators to support investment plans, in compliance with contractual commitments made with lenders.

The Group shall provide itself with the capital necessary to financing are divided into a balanced mix of risk capital and debt capital, to ensure a balanced financial structure and the minimization of the total costs of capital, with the consequent benefit of all "stakeholders".

It is reported that part of the debt capital comes from shareholder financing and bank financing mostly of a medium- to long-term nature committed.

The remuneration of risk capital is monitored on the basis of market performance and business performance, once all other obligations, including debt service, have been met; therefore, in order to ensure adequate remuneration for capital, the safeguarding of business continuity and the development of business, the company constantly monitors the evolution of the level of indebtedness in relation to net equity, to the trend of the business and to the forecasts of expected cash flows, in the short and medium/long term.

10. FINANCIAL ASSETS AND LIABILITIES BY CATEGORY

In the following tables, the details of the Group's financial assets and liabilities required by IFRS 7, according to the categories identified by IFRS 9 as of 31 December 2025 and 2024 respectively.

Euro/thousand	12/31/25		
	Financial assets/ liabilities at amortized cost	**Hedging derivatives**	**Total**
Other current financial assets	364,331		364,331
Other non-current financial assets			-
Other receivables and non-current assets	15,172		15,172
Receivables	348,713		348,713
Other receivables and other current assets	130,721	169	130,890
Total	**858,937**	**169**	**859,106**
Current financial debts and financial leasing debts	110,772		110,772
Other non-current liabilities	4,614		4,614
Long-term financial lease and financial debt	656,512		656,512
Trade payables	398,813		398,813
Other current liabilities	196,176	991	197,167
Total	**1,366,887**	**991**	**1,367,878**

Euro/thousand	12/31/24		
	Financial assets/ liabilities at amortized cost	**Hedging derivatives**	**Total**
Other current financial assets	314,272		314,272
Other non-current financial assets			-
Other receivables and non-current assets	25,084		25,084
Receivables	346,930		346,930
Other receivables and other current assets	125,468	132	125,600
Total	**811,754**	**132**	**811,886**
Other current financial liabilities	159,229		159,229
Other non-current financial liabilities	4,229		4,229
Bank loans and other current borrowings	706,252		706,252
Trade payables	391,361		391,361
Other payables and other current liabilities	184,596	3,808	188,404
Total	**1,445,667**	**3,808**	**1,449,475**

It should be noted that the Group, except for foreign exchange derivatives, does not have financial assets and liabilities valued at *fair value* with variation attributed to the Consolidated Income Statements or the Consolidated Statements of Comprehensive Income.

The following table shows the reconciliation of the net financial position from 1 of January 2025 to the 31 of December 2025, which shows the financial movements and changes which did not involve a financial flow (non-cash changes):

Euro/thousands	Cash and cash equivalents	Financial receivables	Short-term financing	Medium/ long-term financing	Totale
Net financial position at 31 December 2024	**310,311**	**3,961**	**(159,229)**	**(706,252)**	**(551,209)**
Cash flow of the period	50,574	(515)	144,702	(46,505)	148,256
Other non-monetary movements			(96,245)	96,245	-
Net financial position at 31 December 2025	**360,885**	**3,446**	**(110,772)**	**(656,512)**	**(402,953)**

The item "other non-monetary movements" includes medium/long to short-term reclassifications of financial debts.

For a detailed analysis of outstanding funding, please refer to the relevant financial statement notes.

11. FAIR VALUE MEASUREMENT

The following table summarizes the assets and liabilities that are measured at fair values of December 31, 2025 and 2024, based on the level that reflects the inputs used in the determination of *fair value*.

Euro/thousand	Fair Value 2025	Fair Value 2024
Assets		
Currency forward/swap/option	151	-
Interest rate swaps	18	132
Liabilities		
Currency forward/swap/option	991	3,808

The Group uses internal evaluation models, generally used in financial practice. There were no transfers between the different levels of the *fair value* hierarchy during the periods considered.

12. REPORTING BY OPERATING SEGMENT

According to IFRS 8 – Operating sectors, the Company's business is identifiable in a single operating segment (CGU), namely the energy segment.

Moreover, while noting an important cross-compliance of the activities carried out, the Group has further oriented its organization at the management level on a structure articulated, in turn, by service line and geographical area.

The Group has therefore identified the following service lines: plants and components (New Unit), Service, Nuclear and Renewable energies, while it has secondary assessed the scheme by geographical area where the risks and benefits of a company are significantly influenced by the fact that it operates in different countries or in different geographical areas.

For a more detailed analysis of each service line, see the progress report.

To complete the information, the details of the revenues per service line and the details of the gross margin (defined as the difference between revenues and production costs) for each service line are given below.

Euro/thousand	Renewable energies	New Unit	Nuclear	Service	Total
Revenue	1,250	397,839	117,737	715,394	**1,232,220**
Projects Gross Margin	339	10,113	8,259	200,768	**219,479**

13. REVENUES

Euro/thousand	2025	2024
Revenue from sales	1,739,441	255,576
Revenue from services	470,046	173,640
Penalties	14,725	11,373
	2,194,762	**417,843**
Change in work in progress	(1,182,241)	656,217
Revenue from related parties	219,699	42,279
Total revenues	**1,232,220**	**1,116,339**

Revenues are detailed by service line in the annexes contained in the "Revenues" paragraph above.

The trend in revenues compared to the previous one reflects the completion of some milestones that allowed the final invoicing and the consequent decrease in the relative variation of the Work-in-progress, in addition to what already described in the Report on Operations.

The revenues include, in addition to the value of the production of the period, also the quotas acquired to obtain the Provisional Acceptance Certificate (PAC) that determines the transfer of ownership to the customer of the completed plants.

In particular, the movement of revenues toward related parties concerns some Italian and Chinese contracts and is mainly explained by the achievement of the PAC, as well as the effect arising from "Business warranties" as a partial coverage of the increase in penalties recognised during the financial year.

In addition, revenues by geographic area are as follows:

Euro/thousand	**Revenue**	
	2025	**2024**
Italy	347,334	339,211
Europe/CIS*/Africa/Middle East	709,206	607,209
America	18,029	19,367
Asia/Australia	157,651	150,552
	1,232,220	**1,116,339**

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14. OTHER OPERATING INCOME AND EXPENSES

Euro/thousand	**2025**		**2024**	
	Revenue	**Costs**	**Revenue**	**Costs**
Capital gains/losses on disposals of tangible and intangible assets	-	-	65	397
Accruals to/reversals of provisions	2,124	59,807	7,238	25,262
Exchange rate gains (losses) on operating activities	11,183	13,223	4,429	9,205
Unrealized exchange rate gains and losses	7,578	5,551	13,841	10,803
Financial income/charges on operating receivables/payables	-	70	1	1,086
Insurance compensation	327		71	
Indirect taxes		1,832		1,332
Realized losses of third-party operating receivables		367		306
Membership fees and contributions		575		525
Other operating income/expense	2,450	2,244	4,112	7,628
Other related parties operating income/expense	-	39	5	151
	23,662	**83,708**	**29,762**	**56,695**

Exchange rate adjustments and differences relate to the alignment with the end-of-period rates of trade receivables and payables originally denominated in currencies other than the Euro, to the exchange rates resulting from the settlement of such items, and to the financial income (charges) related to these items.

Indirect taxes relate mainly to IMU, Tari and other taxes.

The “accruals to and reversals of provisions” include extraordinary provisions which mainly refer to consultancy costs and exceptional charges for the improvement of new products, as already commented on in relation in the Management Report on Operations (about Euro 25 million), in addition to the accrual on provisions for the final cost to complete (for an amount of more than Euro 33 million), mainly allocated to cover the costs of completion of the power plants which, having obtained the Provisional Acceptance Certificate (PAC), have led to the transfer of ownership to the customers of the completed plants.

Compared to the financial year 2024, the item relating to “reversal of provisions for risks and charges” does not include the utilization previously presented under “other net operating income/(costs)” and now allocated in the item” costs for purchases/costs for purchases, services and personnel “, in order to better reflect the nature of the transaction.

It should be noted that the comparative amounts were not reclassified, since the change was introduced from the current year with the aim of improving the management representation and retrospective reclassification was not necessary and significant for the understanding of the comparative data.

Other revenues included IPCEI grants of Euro 2,691 thousand.

15. PURCHASE AND SERVICE COSTS

Euro/thousand	2025	2024
Materials from third parties	492,646	446,925
Change in inventories	(30,445)	(23,342)
Purchases from related parties	413	2,438
Total Purchase	**462,614**	**426,021**
Services from third parties	332,824	363,380
Services from related parties	(1,003)	913
Rentals and operating leases	8,296	9,446
Total services	**340,117**	**373,739**

The costs for purchases of materials from third parties amounted to Euro 462,614 thousand, an increase of Euro 36,593 thousand compared to the previous year, related to the performance of the management as explained in the dedicated paragraphs. This item also includes the reclassification referred to in paragraph “other revenues and operating expenses”.

Costs for total services (toward third parties and toward Related parties), decreased by Euro 33,623 thousand due to the management performance and a cost containment policy and mainly refer to the following items: Industrial performance and technical assistance of the Parent Company (Euro 139,588 thousand), industrial services of Ansaldo Nucleare (Euro 25,184 thousand), service costs of the Swiss subsidiary (Euro 37,239 thousand), services costs of the UK subsidiary (Euro 12,741 thousand), maintenance costs of the Parent Company (Euro 33,501 thousand) reflecting the investment policy already commented on in the dedicated paragraph, software and other information services costs of the Parent Company (Euro 21,869 thousand), travel and travel expenses of the Parent Company (Euro 15,438 thousand), transport costs and customs charges of the Parent Company (Euro 16,238 thousand).

Rental and leasing costs include rentals for apartments use for accommodating Italian and foreign projects sites personal, rental of photocopiers and computer equipment and other rentals. These costs relate to contracts that are not covered by IFRS 16 due to the duration of less than 12 months or an amount of less than $5.000 individually.

For the variation of Related parties costs, see the "Economic Relations with Related parties" breakdown. The item also includes the effect of a cost recovery linked to "Business warranties" provided for under the contract governing the transfer of the equity interest in Ansaldo Energia S.p.A. to CDP Equity.

16. PERSONNEL EXPENSES

Euro/thousand	2025	2024
Wages and salaries	196,334	189,378
Social security and pension contributions	46,234	44,885
Costs related to other defined benefit plans	229	283
Costs related to defined contribution plans	9,047	7,416
Incentives	7,619	7,198
Other costs	1,239	1,273
	260,702	**250,433**

The item "Incentives" includes extraordinary exodus incentives of Euro 1,454 thousand and other incentives for difference.

The cost amounting to Euro 260,702 thousand represents expenses for monthly and deferred accruals, social security charges and severance indemnities as of 31st December 2025 and includes portion relating to the permanent foreign establishments of the Parent Company for Euro 11,799 thousand. The change from the previous year is mainly due to changes in headcount.

At the end of 2025, the workforce amounted to 3,478, an increase of 234 employees compared to the previous year, supporting strategic programs and the launch of new specialized hubs in Italy and abroad, as reported in the Report on Operations.

The following table evidence, by category, the trend of the average workforce which also explains the increase in personnel costs:

	2025	2024	Variations
Managers	47	51	(4)
Middle Managers	314	298	+16
White collars	2,004	1,873	(131)
Blue Collars	956	982	(26)
	3,321	**3,204**	**117**

17. AMORTIZATION, DEPRECIATION AND IMPAIRMENT LOSSES

Euro/thousand	2025	2024
Amortization and depreciation		
- intangible assets	47,316	45,412
- property, plant and equipment	33,365	34,086
	80,682	**79,498**
Impairment:		
- intangible assets	36	-
- tangible assets	22	-
- other assets	235	80
	293	**80**
Total depreciation and impairment	**80,974**	**79,578**

The trend in depreciation reflects the depreciation process of tangible and intangible assets on the basis of estimated useful life. For further details, please refer to the relevant balance sheet notes.

For intangible assets, the following average depreciation classes are given:

	% of amortization
Development costs	5-10%
Concessions, Licenses and trademarks	1-2%
Others	20-10%

Amortization of intangible fixed-life assets, equal to Euro 43,316 thousand, is mainly related to:

- PPA (Euro 13,281 thousand) deriving from the reverse merger of Ansaldo Energia Holding S.p.A. into Ansaldo Energia (which took place in 2012) with the consequent allocation of part of the goodwill, as described in the relevant balance sheet caption;
- for Euro 8,752 thousand (Euro 8,569 thousand in 2024), to depreciation of capitalized and depreciated development costs on the basis of the useful life of the technologies.

- the development costs of the subsidiary Ansaldo Energia Switzerland (for Euro 9,680 thousand) linked to GT26 and GT36 technologies; and
- the development costs of the subsidiary Ansaldo Green Tech (for Euro 1,164 thousand) linked to AEM technology (Anion Exchange Membrane) and to the IPCEI project, as better commented in the paragraph on the balance sheet section dedicated to intangible assets.

The amortization of material assets is representative of the residual useful life of the various assets.

As stated in the corresponding note on accounting policies, the estimated useful life for the various asset classes is as follows:

	% of Amortization
Land	indefinite useful life
Industrial buildings	3%
Plants and machinery	5- 20%
Equipment	12.5-40%
Furniture and furnishings	12.5-20%
Motor Vehicles	20-25%

The estimate of useful life and residual value is periodically revised.

18. CHANGE IN FINISHED GOODS INVENTORIES, WORK IN PROGRESS AND SEMI-FINISHED PRODUCTS

Euro/thousand	2025	2024
Changes in Finished goods inventories, in the process of working and semi-finished	(15,157)	2,148

19. CAPITALIZED COST FOR INTERNAL WORK

The item amounts to Euro 18,559 thousand and includes internal costs (mainly personnel costs and development activities) capitalized as an increase in assets under construction, showing a slight increase compared to the previous year. The item refers to technologies-related projects for about Euro 13,908 thousand, while renewable energies segment for about Euro 4,063 thousand.

20. FINANCIAL INCOME AND EXPENSES

Euro/thousand	2025			2024		
	Revenue	**Expenses**	**Net**	**Revenue**	**Expenses**	**Net**
Dividends	68		**68**	68		**68**
Interest cost on defined benefit plans		164	**(164)**		184	**(184)**
Discount of financial assets	-	3,551	**(3,551)**	-	2,247	**(2,247)**
Interest banks / other lenders	3,217	21,893	**(18,676)**	4,021	40,382	**(36,361)**
Bank fees		5,694	**(5,694)**		6,465	**(6,465)**
Premiums paid/cashed on forward	393	106	**287**	29	177	**(148)**
Exchange differences	8,708	15,842	**(7,134)**	13,764	13,878	**(114)**
Fair value results in profit and loss account		(1,371)	**1,371**		(551)	**551**
Value adjustments for investments	-	159	**(159)**	-	-	**-**
Other financial income and expenses	53	1,429	**(1,376)**	55	2,095	**(2,040)**
Related parties financial income/expenses	-	25,427	**(25,427)**	-	21,156	**(21,156)**
Losses on interest rate cap		114	**(114)**		291	**(291)**
	12,439	**73,008**	**(60,569)**	**17,937**	**86,324**	**(68,387)**

Financial income, as well as charges, mainly includes interest on deposits with ordinary banks and on foreign exchange accounts, as well as exchange differences in foreign exchange.

The financial charges, distinguished for the main categories in the table above, are composed mainly of interest liabilities on the guaranteed financing of SACE (Euro 10,944 thousand), interest liabilities on term loan (Euro 5,767 thousand), interest liabilities on the financing of Revolving (Euro 1,597 thousand), exchange rate differences on financial lots (Euro 15,842 thousand), as well as fees and charges for bank guarantees.

Discounting charges relate to leasing debt and derive from the application of International Financial Reporting Standards 16.

The financial charges to Related parties refer mainly to the interest accrued on the Shareholders Loan (Euro 22,841 thousand).

The change from the previous year is mainly due to the item “Bank interest / other lenders”, already described in the Report on Operations.

21. INCOME TAXES

The income tax item is composed as follows:

Euro/thousand	2025	2024
Benefit from Tax consolidation	33,767	64,209
IRAP tax	1,213	207
Other income taxes	6,746	5,369
Tax provision surplus	11	1,908
Prior year taxes	(18,622)	1,305
Provisions for tax risks	23	-
Net deferred taxes	(5,660)	(1,522)
	(50,078)	**(60,758)**

The Group has joined, effective already for the financial year 2022, the fiscal consolidation of Cassa Depositi e Prestiti S.p.A. The mechanism of application of this scheme allowed, as provided for in the D.P.R. 917/1986 (so-called TUIR) in Articles 117 to 129, the remuneration of the tax loss made, in the amount of the current Ires rate (24%), as well as non-deductible interest in the amount of half of the current Ires rate (12%) as provided for in the consolidated contract signed between Ansaldo Energia S.p.A. and Cassa Depositi e Prestiti S.p.A..

In 2025, the income entered on the balance sheet was Euro 33.8 million, as reported by the consolidating company. The amount in question has been confirmed by the counterparty.

In addition, the item "Prior year taxes" includes the additional income of approximately Euro 19 million (in addition to approximately Euro 47 million recorded in the previous year and collected in 2025), following the verification of the certain and precise elements identified during the financial year and, more generally, resulting from the reply given by the Tax Authority - Agenzia delle Entrate - on 10th February 2025 following the request for intervention lodged in July 2024, confirming full deductibility, in accordance with the conditions laid down in the tax legislation, the posts linked to a project in Turkey.

Deferred tax refers mainly to the Parent Company. Furthermore, as already stated in the Report on Operations, on the basis of the analyzes carried out and in the light of the macroeconomic scenario, the Group has prudently contributed a write-down to cover the recoverability of the advanced taxes present in the reporting package of the subsidiary Ansaldo Russia for an amount equal to approximately Euro 2 million.

Finally, in accordance with the current "global minimum tax" legislation, Ansaldo Energia has communicated to Cassa Depositi e Prestiti S.p.A., as the parent company, the data necessary to ensure compliance with the minimum level of 15% in relation to the income generated in the jurisdiction of Italy, in which Ansaldo operates, for the purpose of calculating the top-up tax. The results of the so-called full compliance group calculation led to the inclusion of a charge of Euro 671 thousand.

22. INTANGIBLE ASSETS

The heading in question and its handling can be detailed as follows:

Euro/thousand	Goodwill	Development expenses	Patent and similar right	Concessions, Licenses and trademarks	Intangible assets acquired through business combination (PPA)	Others assets under construction	Total
31st December, 2024							
Cost	806,312	705,263	1,021	107,862	628,797	62,975	**2,312,230**
Accumulated. Amortization and impairment	179,432	557,399	867	29,420	553,312	43,606	**1,364,036**
Carrying amount	**626,880**	**147,864**	**154**	**78,442**	**75,485**	**19,369**	**948,194**
Cost							
Investments	-	9,286	-	2,338	-	20,927	**32,551**
Sales	-	-	-	-	-	(1,473)	**(1,473)**
Other changes and reclassifications	242	14,135	-	610	-	(15,296)	**(309)**
	242	**23,421**	**-**	**2,948**	**-**	**4,158**	**30,769**
Accumulated Depreciation							
Sales	-	-	-	-	-	(1,473)	**(1,473)**
Other changes and reclassifications	242	-	-	-	-	(457)	**(215)**
Depreciation, write-downs and impairment	-	19,320	44	914	25,002	2,072	**47,352**
	242	**19,320**	**44**	**914**	**25,002**	**142**	**45,664**
31st December 2025							
Cost	806,554	728,684	1,021	110,810	628,797	67,133	**2,342,999**
Amortization and impairment	179,674	576,719	911	30,334	578,314	43,748	**1,409,700**
Carrying amount	**626,880**	**151,965**	**110**	**80,476**	**50,483**	**23,385**	**933,299**

The “other changes and reclassifications” line includes current fixed assets accounts for specific categories of intangible assets, as well as exchange rate differences.

Among the group accounts, an amount of about Euro 11,607 thousand refers to the development costs of Ansaldo Green Tech, with specific reference to AEM (Anion Exchange Membrane) technology.

Furthermore, again with reference to Ansaldo Green Tech, during the year a further Euro 8,611 thousand were capitalized relating to the implementation of the development activities foreseen by the IPCEI project.

The item “Goodwill” derives for Euro 26,226 thousand from the acquisition of the British Nuclear Engineering Group and for the remainder from the application, of the purchase price allocation process as required by the accounting standard IFRS 3 in relation to the merger in 2012 with Ansaldo Energia Holding S.p.A.

The item “concessions, licenses and trademarks” refers mainly to the Ansaldo trademark registered in Ansaldo Energia (with a residual value of Euro 73,335 thousand) and Ansaldo Nucleare (with a residual value of Euro 3,197 thousand), while the capitalizations for the period relate mainly to the English company, Ansaldo Nuclear Ltd, with regard to the implementation of the new accounting software, which will be go-live during 2026.

The item “intangible assets acquired for Business combination” includes the residual value of intangible assets deriving from the acquisition of part of Alstom’s gas turbines business from General Electric Company (the Gastone Project).

Impairment

The result of the impairment test is derived from the estimates made by Management on the basis of the information available to date and the assumptions set out in the following paragraphs. Assumptions characterized by the greatest uncertainty profile and for which a higher use of subjective assessments is required relate, in particular, to those relating to:

- to obtain the expected orders and the consequent estimate of the margin of the orders;
- the estimate of the financial parameters used for the determination of the discount rate;
- legislation in the field of energy.

The Group has considered the above uncertainties in the elaboration and definition of the basic assumptions used for the determination of the recoverable amount of goodwill and GT36 – GT26 technologies by inserting an execution risk of 1% in the discount rate of the cash flows. This evaluation resulted in a Headroom on goodwill of Euro 192 million and on GT36 and 26 technologies of Euro 18 million and Euro 124 million respectively.

Further sensitivity was made on the value of the Ebitda margin on Terminal Value in a range of +/- 1.5% and in both cases impairment is not shown; it should be noted that the recoverable amount would be equal to the reference value, therefore Headroom equal to zero in the hypothesis of a reduction Ebitda margin on Terminal value of -2.1%.

The analysis listed above confirm the sensitivity of the recoverable assessments of the non-current assets to the variation of the above-mentioned exogenous and non-controllable variables; in this context, the Directors will systematically monitor their progress for any adjustments to the estimates of recoverability of the values goodwill’s and technology in the financial statements.

Goodwill

The item “Goodwill”, equal to Euro 626,878 thousand on 31st December 2025, is attributable as follows:

- Euro 600 million to the reverse merger between Ansaldo Energia S.p.A. and its parent company Ansaldo Energia Holding S.p.A. in 2012;
- Euro 26 million for the acquisition of Nuclear Engineering Services today Ansaldo Nuclear.

The cash-generating unit group (“CGU”) to which goodwill is allocated, coincides with the operating sector within which all the services and products provided are consolidated i.e. the Energy sector.

In this respect, goodwill is found to be recoverable through the joint activity of a group of CGCs which, in particular, coincides with the Energy sector.

Within the guidelines of the Industrial Business Plan 2026-2030, the flows deriving from the new CGU Ansaldo GreenTech have been removed and excluded from CGU Energia.

In accordance with the requirements of the International Accounting Standards, the impairment test was carried out at the date of this financial statement in order to ensure the existence of any impairment losses of goodwill. The impairment test was carried out by comparing the book value of goodwill with the CGU value in use to which it refers.

The value of use was determined using the discounted Cash Flow ("DCF method") methodology by discounting the operating cash flows generated by the asset (net of the fiscal effect) at a rate representative of the weighted average cost of capital.

The post-tax WACC used to discount future cash flows is 12.0%. This rate is an expression of a target financial structure of the sector, derived from the debt ratios, at market values, of a basket of comparable listed companies, including execution risk equal to 1% to cover the risks of execution of the industrial plan underlying the impairment exercise.

The growth rate in terminal value was estimated to be 1.9%, also taking into account the markets in which the Group operates mainly.

The value of use was obtained by discounting (i) the operating cash flows – net of tax – deriving from the asset in an explicit forecast period corresponding to the plan period 2026-2030, and (ii) the present value of the cash flows that can be generated beyond the explicit forecast period (terminal value), obtained by projecting in perpetuity the (normalized) cash flow for the last year of explicit prediction. The Industrial Plan on which the impairment test is based was approved by the Board of Directors on 18th March 2026. Value of use, as determined, was compared with adjusted net invested capital, including operating assets (after any impairment losses) and goodwill.

The results on the impairment test showed that the estimated recoverable amount for the CGU was Euro 192 million higher than its book value at the reference date; therefore, it was considered that it was not required to make value adjustments at goodwill level.

Impairment intangible assets

An analysis of the recoverability of intangible assets has been carried out in order to analyze all those assets not yet available for use or those for which impairment assumptions (so-called trigger events) have emerged. The R&D related Intellectual Properties specifically related to the GT36 and GT26 project ("IPR&D GT36 and GT26"), pursuant to IAS 36 §10, were subjected to impairment tests. This test was based on the "DCF Method" using the value of use as the recoverable value configuration. Regarding the determination of the recoverable amount of the GT36 and GT26 IPR&D, the cash flow generated by the technology in question were estimated, discounted at an opportunity cost of capital reflecting the specific risk of the asset.

The cash flows considered include all the expected revenues and expenses in relation to the economic flows of the orders, the general and administrative structure costs of the completion of Research and development activities, the estimated costs for learning curves, investment in Plant and Machinery and maintenance research and development.

The economic flows consider a residual useful life of the technology covering a time horizon of 17 years foreseen for the sale of new units and 25 years for the sale of the relevant service for the GT36 and 15 years for the sale of new units and the related service for GT26.The opportunity cost of the capital used at the valuation reference date is in accordance with that used for the impairment test at the Goodwill level.

The carrying amount of the IPR&D GT36 and GT26 was determined by allocating, in addition to the intangible assets in question, specific operating net working capital and certain "service" assets immobilized on the basis of appropriate allocation drivers.

The result of this calculation showed that the present value of future flows is Euro 18 million higher than the load value for GT36 technology and Euro 124 million Euro for GT26 technology. Therefore, it was considered appropriate not to make any adjustments.

Other intangibles

For all other intangible assets subject to amortization, analyses have been carried out to identify any assumptions of loss of value from which no risk situations have arisen.

23. PROPERTY, PLANT AND EQUIPMENT

The item in question and the related movements can be detailed as follows:

Euro/thousand	Land and buildings	Plants and machinery	Equipment	Others	Fixed assets in progress and advances	Right of use assets	Total
31st December, 2024							
Cost	205,719	376,259	166,235	35,229	14,547	73,770	**871,759**
Accumulated depreciation and impairment	110,910	318,255	156,539	31,826		44,073	**661,603**
Carrying amount	**94,809**	**58,004**	**9,696**	**3,403**	**14,547**	**29,697**	**210,156**
Cost							
Investments	5	719	571	551	27,289	29,574	**58,709**
Sales	-	(3,197)	(1,181)	(4)	-	-	**(4,382)**
Other changes and reclassifications	(1,047)	10,861	5,624	2,390	(20,744)	1,307	**(1,609)**
	(1,042)	**8,383**	**5,014**	**2,937**	**6,545**	**30,881**	**52,718**
Accumulated depreciation							
Sales	-	(3,197)	(1,181)	(4)		-	**(4,382)**
Other movements and reclassifications	(462)	(1,394)	(240)	(185)		222	**(2,059)**
Depreciation, amortization and impairment	4,840	14,759	5,540	1,215		7,033	**33,387**
	4,378	**10,168**	**4,119**	**1,026**	**-**	**7,255**	**26,946**
31st December, 2025							
Cost	204,677	384,642	171,249	38,166	21,092	104,651	**924,477**
Depreciation and write-downs	115,288	328,423	160,658	32,852		51,328	**688,549**
Carrying amount	**89,389**	**56,219**	**10,591**	**5,314**	**21,092**	**53,323**	**235,928**

Reclassifications include transfers from current fixed assets to specific asset categories.

The increase in right of use assets is mainly due to the lease of the Birr site in Switzerland and its dismantling costs.

The capitalization for plants that entered production mainly concern the Parent Company for:

- Interventions for the improvement of safety standards on Facility machinery for Euro 579 thousand.
- The acquisition of new machinery for the processing of blade and gas turbines for Euro 5,883 thousand.
- The capitalization of tooling for the manufacture and processing of gas turbines for Euro 3,945 thousand.
- Extraordinary maintenance work on buildings and auxiliary equipment for Euro 3,247 thousand.
- The capitalization of technological renewal operations for Euro 628 thousand
- The improvement of the warehouses for Euro 304 thousand.

The ongoing fixed assets of Ansaldo Green Tech show an increase of Euro 4,053 thousand Euro in costs for the plants necessary for the realization of the pilot line of the AEM project (Anion Exchange membrane) which is expected to be operational in April 2026 and to set up the high-volume line necessary for the massive production of stacks, an essential element of electrolyzes.

24. EQUITY INVESTMENTS

The main movements that led to the change in "Equity investments" are as follows:

Euro/thousand	12/31/2025	12/31/2024
1st January	19,032	20,238
Effect of assessments using the Equity method	(234)	6,148
Dividends received	(1,715)	(1,218)
Consolidation perimeter variation	3,900	10
Disposals	-	(6,000)
Other movements and differences change	902	(146)
31st December	**21,885**	**19,032**

Dividends received refer to the subsidiaries Dynamic and Ansaldo Algerie.

The line "Change in consolidation scope" refers to the subscription of the capital increase by the Parent Company in the newly-established Nuclitalia (Euro 3,900 thousand); as stated in the Report on Operations, the company was established through the strategic collaboration between Enel (51%), Ansaldo Energia (39%) and Leonardo (10%), with the objective of developing advanced nuclear technologies, in particular Small Modular Reactor (SMR).

The effect of the Equity method valuations includes the results of the two Chinese Joint ventures AGTT (Ansaldo Gas turbines High Technology Co. Ltd.) And SEGT (Shanghai Electric Gas turbines Co. Ltd); the former is held at 60%, the latter at 40%; the two joint ventures, valued using the Equity method, were established as part of the cooperation project with Ansaldo Energia's partner, Shanghai Electric Hong Kong Co. Limited, targeting penetration of the Chinese market and for the implementation of Research and development projects related to energy; during the year the two joint ventures underwent a revaluation of Euro 2,447 thousand and a devaluation of Euro 2,247 thousand respectively.

It is noted that the participation in the other Chinese joint ventures, SEGT (Shanghai Electric Gas Turbine Co. Ltd), which was 40% owned and had a negative value, was reclassified in the provisions in accordance with previous financial statements (see "other movements" item).

The valuation of the participation, in addition to the period result of the investee, reflects the assessments of the downstream transactions based on IAS 28.

List of Equity investments at 31st December 2025

Denomination *Euro/thousand*	**Investments %**	**Investment Amount**
Subsidiaries and associates		
Ansaldo Algerie	49%	3,120
Ansaldo Energia Muscat	70%	553
Dynamic	25%	1,124
Nuclitalia	39%	3,334
Joint ventures		
Ansaldo Gas turbines Technology (JVA)	60%	13,239
MAEN-Energetika ZMR (JVU)	40%	19
Other equity investments and consortia		
Cogenerazione Rosignano	33.33%	333
Consorzio CISA in liquidazione	66%	68
Consorzio CORIBA in liquidazione	5%	3
Consorzio Create	20%	5
Consorzio QUINN	16.66%	-
Euroimpresa Legnano	9.92%	-
ICIM Group	20.59%	58
SIET	2.16%	15
SIIT	2.30%	14
		21,884

As anticipated, the shareholdings in AU Finance Holding BV and Shanghai Electric Gas Turbine Co. Ltd are reported in the provision risks on equity investments:

Denomination *Euro/thousand*	**Investments %**	**Investment Amount**
AU Finance Holdings	40%	(448)
Shanghai Electric Gas Turbine (JVS)	40%	(4,364)

The following are the provisional significant data of the two Chinese JV:

Euro/thousand	**Ansaldo Gas Turbine Technology Co.**	**Shanghai Electric Gas Turbine Co.**
As of 31 December 2025		
Total assets	26,476	430,179
Total liabilities	4,412	433,611
Total equity	22,065	(3,432)
Operating result	4,079	1,953
Total revenues	12,629	168,224

The data were converted using exchange rates 2025 (end-of-period exchange rate for capital items and average exchange rate for the period for economic items).

As stated, the adjustment of the investment in Shanghai Electric Gas turbines, in addition to the period result, includes the adjustment of downstreams transactions in accordance with IAS 28.

The following table shows the effects of the valuations of investments consolidated with Equity method:

Euro/thousand	**2025**	**2024**
Ansaldo Algerie	145	1,521
Ansaldo Gas Turbine Technology	2,447	2,272
AU Finance Holdings	1	-
Dynamic	(17)	1,644
Shanghai Electric Gas Turbine	(2,247)	711
MAEN Energetika	8	-
Nuclitalia	(565)	-
	228	**6,148**

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25. RECEIVABLES AND OTHER NON-CURRENT ASSETS

The entry in question can be detailed as follows:

Euro/thousand	12/31/25	12/31/24
Guarantee deposits	644	633
Financial receivables	-	14
Others	14,061	23,504
Non-current receivables to related and other	467	933
Non-current receivables	**15,172**	**25,084**
Deferred tax assets	51,879	49,315
Other non-current assets	**51,879**	**49,315**

The item “other” refers mainly to accounts receivable for invoicing related to orders with payment terms beyond the period, mainly attributable to the Parent Company. The decrease in this item refers to the short-term reclassification of some receivables subsequently collected during the period.

Non-current receivables related to Cogenerazione Rosignano.

The item “Deferred tax assets” mainly refers to taxes on the Parent Company’s funds (costs at the end of the day, stock and guarantees) amounting to approximately Euro 46 million.

26. INVENTORIES

The entry in question can be detailed as follows:

Euro/thousand	12/31/25	12/31/24
Raw materials, subsidiary and consumer	442,103	412,276
Products in process and semi-finished products	207,520	223,836
Finished goods and goods	4,518	2,491
Advance payments to suppliers	**31,878**	**26,631**
	686,019	**665,234**

Raw materials, consumables and supplies

Are recognized net of the inventory write down allowance amounting to Euro 46,688 thousand (Euro 42,716 thousand in 2024), recognized to address requirements arising from slow moving and the discontinuation of certain products. The change is in accordance with the performance of the business.

Products in process and semi-finished products

The current and semi-finished products, reduced by Euro 16,316 thousand, relate to parts with high standardization characteristics that will only be associated with sales orders at the time of customization.

Advance Payments to suppliers

They increased by Euro 5,247 thousand. The change is mainly due to the normal life of orders linked to production, mainly of the Parent Company and Ansaldo Nucleare.

27. CONTRACT WORK-IN-PROGRESS AND ADVANCES FROM CUSTOMERS

The entry in question can be detailed as follows:

Euro/thousand	12/31/25	12/31/24
Contract work-in-progress (gross)	1,962,840	1,847,480
Progress payments and advances from customers	1,821,823	1,734,883
Contract work-in-progress (net)	**141,017**	**112,597**
Progress payments and advances from customers (gross)	4,410,245	5,549,217
Contract work-in-progress	3,458,624	4,750,505
Progress payments and advances from customers (net)	**951,621**	**798,712**

Net Work-in-progress increased by Euro 28,420 thousand.

Net advances from customers increased by Euro 152,909 and mainly arise from contracts with a predominant plant nature that have reached an advanced stage of completion, as well as by LTSA orders for which the billing conditions are not strictly related to the progress of the activities produced.

Work-in-progress/advances from net customers include a write-down provision of Euro 32,377 thousand (Euro 29,326 thousand in the previous year).

In addition, for the contracts considered to be completed, the costs still to be incurred after the closure of the works were assessed by allocating a special provision between the risks and the charges.

The multi-annual orders, as provided for in IFRS 15, are measured using the cost-to-cost method, which consists in determining the percentage of progress, as the ratio between the costs incurred and the total costs expected, and apply it to contract revenue to obtain the value to be entered among the work-in-progress-to-order at the end of the period. The margin of competence for the period thus determined is equal to Euro 219,479 thousand.

28. TRADE AND FINANCIAL RECEIVABLES

The entry in question can be detailed as follows:

Euro/thousand	12/31/2025		12/31/2024	
	Commercial	**Financial**	**Commercial**	**Financial**
Receivables	277,912	2,953	288,623	3,494
(allowance for doubtful accounts)	(5,239)	-	(4,487)	-
Receivables from related parties	76,040	493	62,794	468
	348,713	**3,446**	**346,930**	**3,961**

Commercial claims in litigation and in doubt, in relation to legal disputes, judicial proceedings or insolvency proceedings, are entered at nominal value and depreciated in a special allowance for doubtful accounts.

Credits are not supported by bills of exchange or similar securities.

The allowance for doubtful accounts amounts to Euro 5,239 thousand. For the analysis of credit overdue and the considerations on how credit risk is managed through *"expected credit loss"*, please refer to the relevant paragraphs.

Financial receivables refer to restricted bank accounts of the Parent Company and are mainly composed as follows:

- CACIB: EUR 1.5 million in favor of Cacib and Societé Generale, partly guaranteeing exposure for the Labreg project (Algeria);
- BPM: EUR 1 million which guarantees 50% of a Stand by letter of credit for a casting supplier.

29. TAX LIABILITIES AND ASSET

The entry in question can be detailed as follows:

Euro/thousand	12/31/2025		12/31/2024	
	Credits	**Debts**	**Credits**	**Debts**
For direct taxes	1,442	4,245	3,134	4,793
	1,442	**4,245**	**3,134**	**4,793**

Relate mainly to advances and tax paid in excess with respect to IRAP and to tax debts relating to branches and foreign subsidiaries.

30. OTHER CURRENT ASSETS

The entry is composed as follows:

Euro/thousand	12/31/25	12/31/24
Prepaid expenses – current portion	12,534	12,067
Receivables from employee and pension institutions	543	1,025
Other tax assets	18,559	15,825
Other assets	32,084	18,979
Cautionary deposits	3,313	2,954
Other receivables from related parties	63,688	74,618
	130,721	**125,468**

Prepaid expenses are mainly related to the portion aattributable to future financial years of installation insurance costs, which are allocated to contracts based on their stage of completion.

Among the other tax assets was a credit of the Parent Company to the client NLC Neyveli for Euro 2,047 thousand of improperly retained Withholding Tax, for which there is a formal dispute in India.

Other current assets include:

- receivables branches of the Parent Company for taxes on foreign payments amounting to Euro7,604 thousand;
- Domestic and international VAT and other credits of Ansaldo Energia Switzerland (Euro 6,574 thousand);
- A receivable of Euro 10,289 thousand recognized by the subsidiary Ansaldo Green Tech and related to IPCEI grants expected to be collected shortly, with reference to the first and second reporting submissions, in addition to the attributable portion of the last quarter of 2025, which will be submitted in April 2026.

Other related receivables include:

- A credit of the Parent Company to Leonardo S.p.A. of a total Euro 28,181 thousand, including the asbestos risk guaranteed to Ansaldo Energia and the repayment obligations related to the "Business warranties" provided for in the contract for the sale of the stake in Ansaldo Energia S.p.A. in favor to CDP Equity, as well as an application for reimbursement for deduction of Irap from Ires (Monti Decree);
- A credit to Cassa Depositi e Prestiti deriving from benefits resulting from consolidated tax amounting to Euro 34,015 thousand distributed between the Parent Company, Ansaldo Nucleare and Ansaldo Green Tech.

31. CASH AND CASH EQUIVALENTS

The item in question can be detailed as follows:

Euro/thousand	12/31/25	12/31/24
Cash and bank deposits	360,885	310,311
	360,885	**310,311**

For the comment on the variation from the previous financial year, see the Report on Operations.

32. EQUITY

Shareholders' equity at December 31st, 2025, amounted to Euro 365,496 thousand.

Equity

Ansaldo Energia's share capital was 407,291,048.09 Euro divided into 1,880,828,655 shares, of which 1,404,835,655 are in category Z and 475,993,492 Common Stock.

The capital is divided as follows:

- No. 1,404,835,163 Category Z shares and no. common Stock 468,793,492 shares owned by CDP Equity S.p.A.;
- No. 7,200.000 Common Stock owned by Shanghai electric gas turbines Hongkong Co. Limited.

Other reserves

The movements of other reserves, excluding the portion attributable to non-controlling interests, is given below.

Euro/thousand	Share capital	Cash-flow hedge reserve	Actuarial Reserve gains (losses) at Equit	Other reserves and Retained earnings	Total
1st January, 2024	**325,394**	**1,564**	**(11,845)**	**(68,846)**	**246,267**
Components of the total income statement for the financial year:					
Profit (loss) for the year	-	-	-	(20,553)	(20,553)
Other components of the total income statement	-	(3,565)	(7,388)	(1,335)	(12,288)
Total components of the total income statement	**-**	**(3,565)**	**(7,388)**	**(21,888)**	**(32,841)**
Transactions with shareholders recognized directly in equity:					
Capital increases	81,897			43,103	125,000
Total transactions with shareholders recognized directly in equity	**81,897**			**43,103**	**125,000**
Other movements	-			1,839	1,839
December 31, 2024	**407,291**	**(2,001)**	**(19,233)**	**(45,792)**	**340,265**
Components of the total income statement for the financial year:					
Profit (loss) for the year	-	-	-	21,233	21,233
Other components of the total income statement	-	2,136	3,265	(3,672)	1,729
Total components of the total income statement	**-**	**2,136**	**3,265**	**17,561**	**22,962**
Other movements	-	-		357	357
December 31, 2025	**407,291**	**135**	**(15,968)**	**(27,874)**	**363,584**

Other reserves

They include additional payments in capital reserve following the increase in share capital approved in 2023 (Euro 200 million), a reserve for costs related to the financial maneuver on equity (Euro -2.3 million) and exchange rate differences.

Equity attributable to non-controlling interests

The shareholders' equity of third parties is representative of the interests of third parties in the companies controlled by the Group. The relative movement is shown in the schemes of this financial statement.

33. LOANS AND BORROWINGS AND LEASE LIABILITIES

The item in question can be detailed as follows:

Euro/thousand	12/31/2025			12/31/2024		
	Current	Not current	Total	Current	Not current	Total
Debts to banks	93,042	254,335	347,377	148,501	349,217	497,718
Financial lease debts	8,620	48,704	57,324	8,779	26,350	35,129
Other financial debts	9,093	107	9,200	1,927	160	2,087
Financial debts to Related parties	17	353,366	353,383	22	330,525	330,547
	110,772	**656,512**	**767,284**	**159,229**	**706,252**	**865,481**

The movements of financial debts are set out below.

Euro/thousand	12/31/2024	Draw down	Refunds	Other movements	12/31/2025
Bonds					
Banks loans and borrowings	497,718	1,024	(149,130)	(2,235)	347,377
Lease liabilities	35,129	28,672	(6,477)	-	57,324
Other loans and borrowings	2,087	6,905	-	208	9,200
Related parties loans and borrowings	330,547	23,226	(520)	130	353,383
	865,481	**59,827**	**(156,127)**	**(1,897)**	**767,284**

The details of bank borrowings are provided below.

Company	Disbursement date	Type of financing	Lender	Maturity date	Interest Rate	Amount disbursed	Carrying amount at 12.31.2025	Nominal value as at 12.31.2025
AEN	12/22/2021	Loan	INTESA	12/31/2028	0.16	52	22	22
AEN	07/31/2018	Loan	CDP	06/30/2029	8.79	200,000	302,232	200,000
AEN	09/20/2024	Loan	CDP	03/31/2029	8.87	50,000	51,134	50,000
AEN	04/27/2020	Loan	SYNDICATED LOAN	12/31/2028	3.54	145,000	132,906	132,906
AEN	06/06/2023	Loan	SYNDICATED LOAN	12/31/2028	4.00	155,000	153,895	153,895
AEN	09/20/2024	Loan	SYNDICATED LOAN	06/30/2027	5.35	50,000	50,000	50,000
AEN	05/25/2020	Loan	INTESA MISE 3	06/30/2029	5.05	1,604	1,457	1,457
AEN	05/25/2020	Loan	INTESA MISE 3	06/30/2029	0.80	5,616	3,123	3,123
AEN	07/04/2019	Loan	INTESA MISE 1	06/30/2027	0.80	12,429	3,838	3,838
AEN	11/21/2018	Invoice Advance	B. PASSADORE		4.50	20,000	1,608	1,608
ANN	12/10/2018	Loan	INTESA	12/31/2028	5.05	1,054	896	896
ANN	12/10/2018	Loan	INTESA	12/31/2028	0.80	3,596	1,828	1,828
GULF	06/14/2018	Loan	INTESA	06/07/2026	5.29	3,500	649	649
CCA	12/31/2024	Loan	INTESA	12/31/2028	0.16	52	160	160

The main features of the financing arrangements outstanding as at 31 December 2025 can be summarized as follows:

Debt Facility	**Description**
Ansaldo Energia-Pool Term Loan	Committed facility signed by Ansaldo Energia S.p.A. in April 2020 and restructured in May 2023 with a pool of 8 banks with a nominal value of Euro 145 million at the rate Euribor 6 months + spread. The spread is determined according to a margin dependent on the performance of the Energy Group's Leverage ratio, which, on the basis of the last survey since June 2024, has determined an applicable margin of 2.95% p.a. due 12/31/2028, the reimbursement is made according to an annual amortizing scheme starting from December 2025.
Ansaldo Energia – Sace Supporto Italia - Term Loan	Loan agreement executed by Ansaldo Energia S.p.A. following the restructuring of May 2023 with a pool of 8 banks with a nominal value of Euro 155 million. This financing is supported by a 90% SACE guarantee. The rate applied is Euribor 3 months + spread fixed and equal to 2%. The repayment of payments is constant from June 2026. Deadline December 12th, 2028.
Ansaldo Energia – Sace garanzia Archimede - Term Loan	Loan agreement executed on 09/20/2024 by Ansaldo Energia S.p.A with a pool of 3 banks and guaranteed 70% by SACE and aimed at supporting the financing of specific "CAPEX" plan. Nominal value Euro 50 million. The deadline for the loan is 06/30/2027. Reimbursement is made according to an amortizing scheme of 6 instalments, the first 4 of which is equal to 10% of the notional granted and the last 2 equal to 30%. The rate applied is Euribor 3 months + spread equal to 3.85%p.a. which can fall to 3.35%p.a. in case the Leverage ratio falls below 3.5x
Ansaldo Energia – Finanziamento Agevolato Mediocredito MISE 1	Loan disbursed by Mediocredito with a provision obtained following Decree DM of 10/15/2014 (Sustainable Growth Fund). First disbursement in July 2019 amounting to Euro 5,9 million; second and final disbursement in May 2023 amounting to Euro 7,2 million. Half-yearly capital and interest repayment plan every 30th June and 31st December of each year. Deadline 06/30/2027. Fixed rate of 0.80% per year.
Ansaldo Energia –Finanziamento Agevolato (CDP) MISE 2	Loan granted to Ansaldo Energia S.p.A. by Intesa San Paolo of the quota financed by CDP. Financing obtained following the Research and development project concerning advanced systems for the control of thermal acoustic phenomena in combustion processes for high efficiency and low environmental impact gas turbines. The amount of Euro 52 thousand was disbursed in December 2021. Deadline December 2028. Payment in instalments and half-yearly interest. Fixed rate of 0.16% per year.
Ansaldo Energia – Finanziamento Bancario Intesa e Finanziamento Agevolato (CDP) MISE 3	Loan agreed on 07/31/2018 and granted to Ansaldo Energia S.p.A. by Intesa San Paolo, the only entity that provides both the bank share and the quota financed by CDP. Financing obtained for instrumental development and industrial research activities. First disbursement of May 2020 for an amount equal to Euro 3.1 million divided as follows: Bank financing equal to Euro 0.7 million and facilitated financing equal to Euro 2.4 million; second disbursement of December 2023 for an amount equal to Euro 4 million divided as follows: Bank financing of Euro 0.9 million and facilitated financing of Euro 3.1 million. Reimbursement of payments and half-yearly interest. End Rate Euribor Bank 6 months + spread 3%. End Rate Fixed interest rate of 0.80% per year. Deadline 06/30/2029.
Ansaldo Energia – Subordinated Shareholder Loan CDP Equity	Loan signed on 05/15/2019 by Ansaldo Energia S.p.A., guaranteed by provision CDP Equity, presents the characteristic of the subordination in the payment rights of any amount due to the Senior creditors under the Senior Facility Agreement (S.F.A.). The nominal value is Euro 200 million and was restructured in May 2023 by maturity, with plan for repayment of capital and interest on 06/30/2029. Euribor rate 6 months + spread (equal to 6.75 %).
Ansaldo Energia – Subordinated Shareholder Loan CDP Equity	Loan signed on 09/20/2024 by Ansaldo Energia S.p.A., guaranteed by provision CDP Equity, presents the characteristic of the subordination in the payment rights of any amount due to the Senior creditors under the Senior Facility Agreement (S.F.A.). It was implemented with the aim of supporting the implementation of the Group's new strategic plan for the period 2024-2028. The nominal value is Euro 50 million with the repayment plan for capital and interest on 03/31/2029. Euribor rate 6 months + spread (equal to 6.75 %).

Debt Facility	Description
Ansaldo Nucleare Finanziamento Bancario Intesa e Finanziamento Agevolato (CDP) MISE 3	Loan stipulated on 25 June 2018 by Ansaldo Nucleare S.p.A. with Intesa San Paolo, the only entity providing both the bank portion and the quota financed by Cassa Depositi e Prestiti. Financing obtained for the development of an integrated technology for the disposal of radioactive waste from decommissioning of nuclear installations. Ansaldo Energia acts as guarantor. The first disbursement was made in December 2019 for an amount Euro 2.2 million divided as follows: Bank financing equal to Euro 0.5 million and soft financing equal to Euro 2.2 million; the second disbursement was made in December 2023 for an amount of Euro 2.5 million divided as follows: Bank financing of Euro 0.6 million Euro and facilitated financing of Euro1.9 million. Repayment of principal and half-yearly interest. Final Rate 6-month Euribor Bank + spread 3%. Fixed interest rate of 0.80% per year. Deadline 31 December 2028.
Ansaldo Energia Gulf Finanziamento Bancario Intesa San Paolo Abu Dhabi Branch	Loan signed on 06/07/2018 by Ansaldo Energia Gulf with Intesa San Paolo Abu Dhabi Branch for the construction of "Warehouse and Borrower's general Corporate purposes". Financing of AED 14 million with a six-month repayment plan for 5 years on a constant basis and equal to AED 1.4 million as from June 2021 (3 years of pre-amortization is expected). Deadline June 2026. Rate Euribor 6 months + spread. The spread is 3.05%.
Centro Combustione Ambiente – Finanziamento Agevolato Progetto Artec GT	Loan provided to Centro Combustione Ambiente S.p.A. by Intesa San Paolo. Financing obtained following the research and development project concerning advanced systems for the control of thermal acoustic phenomena in combustion processes for high efficiency and low environmental impact gas turbines. An amount of Euro 425 thousand was disbursed in December 2021. Maturity date December 2028. Payment in installments with half-yearly interest. Fixed rate of 0.16% per year.

For all Ansaldo Energia loans listed in the table, with the exception of the shareholder loan, two covenant indicators on consolidated financial statement data are required: the "Leverage Ratio" (Net Borrowing /Adjusted EBITDA) and the "Interest Cover Ratio" (Adjusted EBITDA/Net Interest Payable).

Ansaldo is subject to the compliance of a further financial covenant to be respected, the Minimum Available Liquidity (MAL), defined as the minimum available cash amount; this parameter, which also includes the unused portion of the Revolving Facility, should never fall below the value of Euro 50 million in addition to the available liquidity. Compliance with covenant is tested quarterly.

For comments on the results achieved as of 31st December 2025 and prospective results, please refer to the comments in the Report on Operations.

Net financial debt

The details of the financial debt at 31 December 2025 and 2024 are as follows:

Euro/thousand	12/31/25	of which with Related parties	12/31/24	of which with Related parties
Bank deposits	360,885		310,311	
Securities held for trading	-		-	
CASH AND CASH EQUIVALENTS	**360,885**		**310,311**	
CURRENT FINANCIAL RECEIVABLES	**3,446**	**493**	**3,961**	**468**
Current bank loans and borrowings	93,042		148,501	
Financial lease debts Bonds (current portion)	8,620		8,779	
Other current financial debts	9,110	17	1,949	22
CURRENT FINANCIAL DEBT	**110,772**		**159,229**	
NET CURRENT FINANCIAL (POSITION) DEBT	**(253,559)**		**(155,043)**	
Non-current bank loans and borrowings	254,335		349,217	
Lease liabilities (non-current portion)	48,704	-	26,350	-
Other non-current loans and borrowings	353,473	353,366	330,685	330,525
NON-CURRENT FINANCIAL DEBT (AVAILABILITY CASH & CASH EQUIVALENTS)	**656,512**		**706,252**	
NET FINANCIAL DEBT (AVAILABILITY CASH & CASH EQUIVALENTS)	**402,953**		**551,209**	

As explained in the Report on Operations, net financial debt as of 31st December 2025 amounted to Euro 403 million, a significant reduction of more than Euro 148 million compared to 2024.

Cash and cash equivalents amount to Euro 360.9 million, an increase of more than Euro 50 million compared to the previous year, confirming an improvement in the liquidity profile of the Parent Company and the Group.

Current bank debts include the short-term share of the guaranteed SACE loan (Euro 62 million) and the Tterm Loan (Euro 27 million).

During the financial year, both the RCF line (Euro110 million) and the IFIS financing (EUR 1,6 million) were fully repaid; as a result, the RCF line was fully available as of 31st December 2025 for a total amount of Euro150 million.

Non-current bank debts relating to medium- and long-term liabilities include Euro142.3 million for the abovementioned SACE financing and Euro 105 million for the term loan, with maturities of 2027 and 2028 respectively. The increase in lease liabilities is mainly due to the Supplementary Fee linked to the new contract in Switzerland for Birr's site, the cost of which is fully offset by the project's revenues.

The other non-current financial debts refer, finally, to the debts to the parent company CDP in addition to the related interest, as described above in the dedicated table.

34. EMPLOYEE BENEFITS

The entry in question can be detailed as follows:

Euro/thousand	12/31/25	12/31/24
Employee termination indemnity	5,909	6,125
Defined benefit pension plans	1,880	1,580
Other staff provisions	10,643	14,321
	18,432	**22,026**

This amount mainly includes the liability relating to the defined contribution plans of the subsidiaries Ansaldo Energia Switzerland (Euro 7,202 thousand) and Ansaldo Energia Gulf (Euro 1,171 thousand), as well as the debt for the final treatment of Euro 5,909 thousand, mainly related to the Parent Company.

The employee termination indemnity (so called "TFR"), for Italian companies, represents the residual amount of the debt at the date of entry into force of the reform net of the liquidations made up to the reference dates and, since it is comparable under IAS 19 to a liability arising from a defined benefit plan, it has been subject to actuarial valuation.

Euro/thousand	12/31/2025	12/31/2024
Opening balance	6,125	6,208
Interest costs	164	184
Actuarial losses (gains) to equity	412	8,620
Benefits paid	840	943
Other changes	48	(8,211)
Increases from business combinations	-	267
December 31, 2025	**5,909**	**6,125**

The following is a detail of the main economic and demographic assumptions used for the actuarial assessments of the TFR or "employee termination indemnity" (Parent Company):

Euro/thousand	TFR debt	
	12/31/2025	12/31/2024
Inflation rate	2.00%	2.00%
Discount rate (average)	3.13%	2.97%

According to the new Social Security Reform, for companies with at least 50 employees, the future accrued shares of the TFR Fund will no longer be transferred to the company, but to the supplementary pension fund or the INPS Treasury fund. It is therefore no longer necessary to show wages according to certain growth rates and by professional qualification.

Euro/thousand	Post employed benefit and defined benefit plans	
	12/31/2025	12/31/2024
Death	G.R. 48	G.R. 48
Retirement	2.3	2.4
Annual turnover and advance frequency post employed benefit		
Average Advances Frequency	2.35%	2.35%
Average Turnover Frequency	2.93%	2.93%

Here is the movement of the "defined Benefits of obligation" item:

Euro/thousand	12/31/25		
	Present value of the obligation	Present value of the asset	Net liabilities defined benefit plans
Opening Balance	1,580		**1,580**
Costs for benefits provided	229		**229**
Other movements	71		**71**
Closing balance	**1,880**		**1,880**

35. CURRENT AND NON-CURRENT PROVISIONS

Euro/thousand	Provision for equity investments	Provision for product warranties	Pending disputes	Tax Provision	Others	Total
1st January, 2024						
Current	3,432	-	2,380	79	75,595	81,486
Not current	-	11,261	-	12,939	56,875	81,075
	3,432	**11,261**	**2,380**	**13,018**	**132,470**	**162,561**
Accruals	-	-	-	-	30,324	30,324
Utilizations and absorptions	-	-	(147)	(2,153)	(20,883)	(23,183)
Other changes and reclassifications	(595)	(11,261)	(4)	(79)	11,882	(57)
31st December, 2024	**2,837**	**-**	**2,229**	**10,786**	**153,793**	**169,645**
Broken down as follows:						
Current	2,837	-	2,229	-	94,377	99,443
Not current	-	-	-	10,785	59,417	70,202
	2,837	**-**	**2,229**	**10,785**	**153,794**	**169,645**
Accruals	-	-	156	23	59,180	59,359
Utilizations and absorptions	-	-	(2)	-	(41,951)	(41,953)
Other changes and reclassifications	1,975	-	(9)	338	4,039	6,343
31st December 2025	**4,812**	**-**	**2,374**	**11,146**	**175,062**	**193,394**
Broken down as follows						
Current	4,812	-	2,374	19	96,529	103,734
Not current	-	-	-	11,127	78,533	89,660
	4,812	**-**	**2,374**	**11,146**	**175,062**	**193,394**

Provision for equity investments

The provision represents the adjustment resulting from the valuation of investments using the equity method, as described in the explanatory note on investments.

It includes the effects of investments with a negative net value – in particular AU Finance Holding B.V. and Shanghai Electric Gas Turbine – for which, pursuant to IAS 28, it is necessary to recognize losses exceeding the book value through a related provision, if the enterprise holds any implied or explicit obligations to the investee.

Pending disputes

The provision represents the best estimate of arbitration and litigation with third parties and covers disputes and arbitration proceedings in Italy and abroad resulting from orders and disposals of activities carried out in previous years.

Tax Provision

The tax provision represents the most prudent estimate of the risks related to Italian and foreign taxes (attributable mainly to the activities of the branches of the Parent Company) and amounts to Euro 10,799 thousand.

The tax provision mainly faces potential risks of tax disputes in addition to the obsolescence of claims deriving from indirect taxes paid; in particular the provision receives proportional coverage for seniority of the following countries:

- Tunisia Euro 5,402 thousand;
- Pakistan Euro 2,000 thousand;
- Congo Euro 799 thousand;
- Egypt Euro 500 thousand;
- Other minor Euro 297 thousand.

Finally, the provision comprises Euro 1,500 thousand relating to other tax risks in Italy as well as risks for direct and indirect taxes of foreign companies in the area of consolidation.

Other provision

They consist mainly of:

- Costs to be incurred for the likely future dismantling and restoration of the Birr area in Switzerland (planned for June 2031, following the modification of the contract during in the year) where the GT36 prototype for Euro 15,157 thousand was initially developed and the decommissioning costs that the Group, through the UK subsidiary Ansaldo Nuclear Limited, will have to support Euro 2,368 thousand;
- Costs to be incurred after the completion of project and provisions for losses on completion amounting to Euro 29,669 thousand.
- Costs for dealing with asbestos risk (Euro 5,843 thousand). The amount set aside is the best estimate made on the basis of historical data available and a well-established scientific doctrine indicating “latency times” of the onset of the disease even between 15 and 40 years. Events in

the past concerned mainly the Legnano plant and the Genoa plants. This provision, and more precisely any disbursements linked to the so-called "asbestos" case - following the agreements between Finmeccanica (now Leonardo S.p.A.) and the Fondo Strategico Italiano (now CDP Equity) in the context of the transaction that covered Ansaldo Energia's share structure - they are the subject of a specific guarantee from Leonardo S.p.A.. Moreover, CDP Equity has already made a formal commitment to Ansaldo Energia to ensure that any future compensation related to this case is paid by Leonardo S.p.A. directly to Ansaldo Energia;

- Costs for dealing with risks related to Turkey (Euro 39,300 thousand)
- Costs related to medium-long-term interventions on new product fleets and lower provisions for the Group's foreign companies for the remainder.

36. OTHER CURRENT AND NON-CURRENT LIABILITIES

The item in question can be detailed as follows:

Euro/thousand	Not current		Current	
	12/31/25	12/31/24	12/31/25	12/31/24
Employees	4,614	4,223	36,174	31,976
Deferred income			11,654	4,504
Social security institutions			10,098	9,960
Other	-	6	131,928	121,669
Other payables to related parties	-	-	374	10,409
Total other liabilities	**4,614**	**4,229**	**190,228**	**178,518**
Other tax debts			5,948	6,078
Deferred tax liabilities	29,509	32,012		
Total other liabilities	**34,123**	**36,241**	**196,176**	**184,596**

Employee liabilities

"Employee liabilities" refer to additional monthly payments, holidays and permits accrued and not enjoyed, but cleared in the following year. The increase compared to the previous year is mainly due to the increase in staff.

The non-current share refers to seniority bonuses accrued and measured at fair value.

Payables to pension and welfare institutions

They relate to the amounts due to these institutions for the contributions to be paid by the Group and its employees in respect of December's salaries paid in January and to the remuneration for the financial year for which contributions are paid quarterly or yearly.

The increase compared to the previous year is mainly due to the increase in staff.

Deferred Income

The change is mainly due to the recognition of an amount equal to Euro 8,059 thousand, corresponding to the credit amounts for IPCEI contributions attributable to the following fiscal years of Ansaldo Green Tech.

Other debts

Other debts included the IPCEI advance paid in 2024 by the Ministry of Enterprise and made in Italy to Ansaldo Green Tech, amounting to Euro 94,895 thousand and granted for the realization of the activities of IPCEI hydrogen 1.

In addition, they include deposits on Parent Company projects amounting to Euro 2,500 thousand.

Other debts to Related parties

It is reported that the Parent Company's debt to Simest S.p.A. (Cassa Depositi e Prestiti), relating to the share of Ansaldo Energia Switzerland's capital increase subscribed in 2017 for Euro 10,000 thousand, was fully repaid during the year (together with the annual interest rate of Euro 225 thousand), Ansaldo Energia exercised its related purchase option.

Deferred taxes

This amount mainly refers to the tax effect calculated on the capital gains (relating to a building) which arose in 2012 in the PPA (inverse merger Ansaldo Energia Holding S.p.A) and to the tax effect related to the assets raised in 2016 in the PPA Gastone (acquisition of part of Alstom 'gas turbine business).

37. TRADE PAYABLES

As of December 31, 2025, the item amounted to Euro 399 million compared to Euro 391 million in the previous year, considering the growing trend of the business in 2025. The "maturity factoring" operations included in this item show at 31st December 2025 a debt of Euro 83,816 thousand (in 2024 Euro 59,245 thousand). With this instrument, the Parent Company allows its suppliers to carry out factoring relationships with the object of demobilization and the collection of claims from the same claimed toward the Group, for the supply of goods and/or services, with the possibility of obtaining a further delay of payment of commercial debt, with interest in your own expense.

It is noted that in 2025 the trade debts that expired and transferred to the factor amounted to Euro 244 million.

38. DERIVATIVES

The entry in question can be detailed as follows:

Euro/thousand	12/31/25		12/31/24	
	Active	**Passive**	**Active**	**Passive**
Currency forward/swap/option	151	991	-	3,808
Interest rate cap	18		132	
	169	**991**	**132**	**3,808**

The Interest rate cap and the interest rate swap refer to the Term Loan and SACE financing lines concluded in 2023 as part of the financial maneuver.

39. TRANSACTIONS WITH RELATED PARTIES

39.1 Transactions with related parties – Consolidated Statements of Financial Position

The transactions carried out with Related parties are attributable to activities that concern ordinary management and are regulated under normal market conditions (where not regulated by specific contractual conditions), as are the debt and productive interest credits. They mainly concern the exchange of goods, the provision of services, the provision and use of financial resources to and from the parent company and its subsidiaries, associated companies, held jointly (joint ventures and consortia).

The amounts of the credits with Related parties are shown below.

RECEIVABLES AS of 12/31/25 *Euro/thousand*	**Non-current financial receivables**	**Current financial receivables**	**Trade receivables**	**Other current receivables**	**Total**
Participant companies					
Shanghai Electric Hong Kong			5,423		5,423
	-	**-**	**5,423**	**-**	**5,423**
Parent companies					
Cassa Depositi e Prestiti				34,015	34,015
	-	**-**	**-**	**34,015**	**34,015**
Subsidiaries					
Ansaldo Algeria			14,381	1,491	15,872
Ansaldo Energia Muscat		31			31
Dynamic			32		32
Nuclitalia			433		433
	-	**31**	**14,846**	**1,491**	**16,368**
Associates and others entities					
Ansaldo Gas Turbine Technology			5		5
Cogenerazione Rosignano	467	462			929
Enipower			13,925		13,925
Remazel Engineering			125		125
Shanghai Electric Gas Turbine			38,646		38,646
Terna			519		519
	467	**462**	**53,220**	**-**	**54,149**
Entities controlled by or subject to significant influence of MEF					
Enel			1,734		1,734
Leonardo				28,182	28,182
Sogin			817		817
	-	**-**	**2,551**	**28,182**	**30,733**
Total	**467**	**493**	**76,040**	**63,688**	**140,688**

RECEIVABLES AS of 12/31/24 *Euro/thousand*	**Non-current financial receivables**	**Current financial receivables**	**Trade receivables**	**Other current receivables**	**Total**
Participants companies					
Shanghai Electric Hong Kong			8,417		8,417
	-	**-**	**8,417**	**-**	**8,417**
Parent companies					
CDP Equity				64,828	64,828
	-	**-**	**-**	**64,828**	**64,828**
Subsidiaries					
Ansaldo Algeria			7,754	333	8,087
Ansaldo Energia Muscat		5			5
	-	**5**	**7,754**	**333**	**8,092**
Associates and others entities					
Ansaldo Gas Turbine Technology			5		5
Cogenerazione Rosignano	933	463			1,396
Eni			230		230
Enipower			2,284		2,284
Shanghai Electric Gas Turbine			34,345		34,345
Terna			1,228		1,228
	933	**463**	**38,092**	**-**	**39,488**
Entities controlled by or subject to significant influence of MEF					
Enel			5,113		5,113
Leonardo				9,457	9,457
Sogin			3,419		3,419
	-	**-**	**8,532**	**9,457**	**17,989**
Total	**933**	**468**	**62,795**	**74,618**	**138,814**

The amounts of the debts with Related parties are shown below.

DEBTS as of 12/31/25 *Euro/thousand*	**Non-current financial debts**	**Trade payables**	**Current financial debts**	**Other current liabilities**	**Total**
Parent companies					
Cassa Depositi e Prestiti				306	306
CDP Equity	353,366			68	353,434
	353,366	**-**	**-**	**374**	**353,740**
Participants companies					
Shanghai Electric Group		310			310
	-	**310**	**-**	**-**	**310**
Subsidiaries					
Ansaldo Algerie		14			14
Ansaldo Energia Muscat		773			773
	-	**787**	**-**	**-**	**787**
Associates and other entities					
Ansaldo Gas Turbine Technology		(3)			(3)
AU Finance Holding BV			17		17
Eni		4			4
EniPower		88			88
Remazel Engineering		2,394			2,394
Shanghai Electric Gas Turbine		1,960			1,960
Tamini Trasformatori		239			239
Valvitalia		73			73
	-	**4,755**	**17**	**-**	**4,772**
Entities controlled by or subject to significant influence of MEF					
Enel		870			870
Ferrovie dello stato					-
Leonardo		174			174
SACE		224			224
	-	**1,268**	**-**	**-**	**1,268**
Total	**353,366**	**7,120**	**17**	**374**	**360,877**

DEBTS as of 12/31/24 *Euro/thousand*	**Non-current financial debts**	**Trade payables**	**Current financial debts**	**Other current liabilities**	**Total**
Parent companies					
Cassa Depositi e Prestiti				166	166
CDP Equity	330,525	33		18	330,576
	330,525	**33**	**-**	**184**	**330,742**
Participant companies					
Shanghai Electric Group		310			310
	-	**310**	**-**	**-**	**310**
Subsidiaries					
Ansaldo Energia Muscat		773			773
Ansaldo Algerie		261			261
	-	**1,034**	**-**	**-**	**1,034**
Associates and other entities					
Ansaldo Gas Turbine Technology		182			182
AU Finance Holding BV			22		22
Eni		27			27
Shanghai Electric Gas Turbine		2,174			2,174
Simest				10,225	10,225
Tamini Trasformatori		127			127
Valvitalia		91			91
	-	**2,601**	**22**	**10,225**	**12,848**
Entities controlled by or subject to significant influence of MEF					
Enel		385			385
Ferrovie dello stato		24			24
Leonardo		104			104
SACE		1,214			1,214
	-	**1,727**	**-**		**1,727**
Total	**330,525**	**5,705**	**22**	**10,409**	**346,661**

39.2 Economic transactions with Related parties

The following are all the economic relations with the Group's Related parties for the financial years 2025 and 2024:

2025 *Euro/thousand*	**Revenue**	**Costs**	**Other operating income**	**Other Operating expenses**	**Financial expenses**
Parent companies					
Cassa Depositi e Prestiti		65			
CDP Equity		68			22,841
	-	**133**	**-**	**-**	**22,841**
Participant companies					
Shanghai Electric Hong Kong	40,898				
	40,898	**-**	**-**	**-**	**-**
Subsidiaries					
Ansaldo Algerie	2,809	241			
	2,809	**241**	**-**	**-**	**-**
Associates and other entities					
Ansaldo Gas Turbine Technology	441				
Enipower	2,416				
Remazel Engineering		4,618			
Shanghai Electric Gas Turbine Technology	39,802				
Simest					225
Tamini		253			
Terna	49,543				
Valvitalia		190			
	92,202	**5,061**	**-**	**-**	**225**
Entities controlled by or subject to significant influence of MEF					
Enel	70,967	684			
Ferrovie dello Stato		31			
Leonardo	12,814	(6,942)			
Leonardo Global Solution		70			
SACE		111		39	2,361
Sogin	9	21			
	83,790	**(6,025)**	**-**	**39**	**2,361**
Total	**219,699**	**-590**	**-**	**39**	**25,427**

2024 *Euro/thousand*	**Revenue**	**Costs**	**Other operating income**	**Other Operating expenses**	**Financial expenses**
Parent companies					
Cassa Depositi e Prestiti		65			
CDP Equity		68			20,706
	-	**133**		**-**	**20,706**
Participant companies					
Shanghai Electric Group					
	-	**-**		**-**	**-**
Subsidiaries					
Ansaldo Algerie	1,897	370			
	1,897	**370**		**-**	**-**
Associates and other entities					
Ansaldo Gas Turbine Technology					
Eni	106	(20)			
Enipower			5	145	
Shanghai Electric Gas Turbine Technology	23,554	264			
Simest					450
Snam	3,500				
Tamini		170			
Valvitalia		265			
	27,160	**679**		**145**	**450**
Entities controlled by or subject to significant influence of MEF					
Enel	8,752	2,075		6	
Ferrovie dello Stato		24			
Leonardo		70			
Sogin	4,470				
	13,222	**2,169**		**6**	**-**
Total	**42,279**	**3,351**		**151**	**21,156**

The financial income relates to the investment of available liquidity during the year, also through the use of temporary liquidity constraints, always respecting the best market conditions.

The economic ratios to the subsidiaries relate to costs for services received net of recoveries of expenses for those affected. Financial charges and income are related to financial relationships regulated at the market rates in force in the Group.

Economic relations with Related parties mainly concern supplies of materials and services for specific orders or for general services.

40. GUARANTEES AND OTHER COMMITMENTS

The Group as of 31st December 2025 has the following guarantees.

Personal guarantees provided

Euro/thousand	12/31/25	12/31/24
Third parties guarantees	1,034,519	845,139
Personal guarantees provided	**1,034,519**	**845,139**

These are mainly guarantees issued by credit Institutions and insurance Companies in favor of:

- Customers for participation in tenders (Euro 5,176 thousand);
- Customers for advances received and good execution of the works (Euro 1,024,783 thousand);
- Others: Financiers, customs offices and taxes, lessors, Inps (Euro 4,560 thousand).

41. AUDIT COMPANY FEES

Pursuant the agreements, the annual fees relating to 2025 for audit services provided by Deloitte & Touche S.p.A. and the other Deloitte network amount to Euro 714.94 thousand, plus ISTAT indexation adjustments.

SIGNIFICANT EVENTS OCCURRING AFTER THE END OF THE FINANCIAL YEAR

In the period following the close of the financial year 2025, a new intensification of geopolitical tensions in the Middle East were recorded, with direct involvement of the United States, Israel and Iran and with potential repercussions on the Gulf Cooperation Council (GCC) area.

This scenario, which occurred after 31st December 2025, falls into the category of non-amending subsequent events, in accordance with IAS 10, as it relates to conditions arising after the reporting date

Prior to the escalation, the international macroeconomic scenario incorporated growth expectations for 2026 in accordance with 2025. In the current baseline scenario, consistent with the most recent assessments by international observers, including limited escalation of the attack and the assumption of relatively limited conflict in time, the expected effects on the global economy remain moderate.

Ansaldo Energia does not have production units in countries directly affected by the conflict (Iran and/or Israel).

For the Ansaldo Energia Group, the current revenue volumes for 2025 and the forecast for 2026 for this directly impacted area are marginal and show an average percentage incidence of less than 2.5%.

The Group operates, however, in neighbouring countries, also through operating units and reporting units, which, in the most remote cases of a prolonged and widespread escalation throughout the region, could be exposed to potential impacts. The 2026 Financial statement volumes for the entire GCC area show an average percentage impact of around 11%, although a portion of the activities were carried out regularly from the beginning of the year and the Group has continued to collect from customers located in the countries of the area in recent days as well.

Within the contingency plans activated in the most sensitive areas, the Group has started a temporary process of securing site personnel and the preference, where possible, for work and assistance to customers remotely. These measures are precautionary and have not, at present, resulted in significant structural interruptions or suspensions of activities.

The main information systems are centrally managed at the head quarter data center and/or in the cloud in Europe. The Group also has additional duplicate back-ups in Europe for security reasons.

The Group has also defined and maintained a structured Disaster Recovery (DR) plan aimed at ensuring operational continuity in the event that computer systems cannot be delivered from the local data center.

A prolonged escalation could, in addition to the more remote risk of potential impeding conditions and time shifts due to the force majeure of some activities, also cause potential risks related to the tightening of the Raw materials and commodity markets (energy, special metals, steels), the increase in logistical costs, potential slowdown risks on major trade routes, including the Hormuz Straits, as well as exchange-rate volatility and potential interest-rate effects. European and national energy reserves are therefore increasingly important in order to mitigate potential indirect impacts. The temporary blockade of the Straits of Hormuz is not currently critical for transport related to supplies of Ansaldo Energia.

These possible effects, which may be reflected in an increase in operating expenses, could, however, be partially mitigated by possible price revision mechanisms with customers. There are also no critical third-party suppliers located in the area directly involved in the conflict, therefore, at the moment there are no significant risks of delays in the primary supply chain, also considering the prevailing use of air transport.

The Group continues to monitor constantly the evolution of events, the updates provided by the main observers and international institutions, carrying out the appropriate assessments to identify any risks potentially relevant for the coming financial years, although overall, the evolution of the attack remains subject to high uncertainties.

In the light of the information available and the monitoring in place, the adoption by the European Union of new sanctions regulations, or material changes to those currently in force, does not currently appear likely, such as to have a significant impact on the Group's business or that can expose individuals or its manufacturing activities to material legal risks.

The Group maintains a constant monitoring of the evolution of the scenario, updating the operational plans and forward-looking analyses in order to identify in a timely manner the mitigation actions aimed at preserving the operational continuity, the efficiency of the production processes and the expected profitability.

AUDIT COMPANY REPORT

Deloitte.

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INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010

To the Shareholders of
Ansaldo Energia S.p.A.

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Ansaldo Energia S.p.A. and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as of December 31st, 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as of December 31st, 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of Ansaldo Energia S.p.A. (the "Company") in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the information included in the paragraphs "Going concern" of the Report on Operations and "Significant Events after the end of the financial year" of the notes to the financial statements, where the Directors analyse potential future developments of the scenario, illustrating in particular the potential impacts arising from the intensification of geopolitical tensions in the Middle East and the possible mitigation mechanisms that could be adopted.
Our opinion is not modified in respect of this matter.

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Responsibilities of the Directors and the Board of Statutory Auditors for the Consolidated Financial Statements

The Directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of the Company or the termination of the business or have no realistic alternatives to such choices.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;

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- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions and statement pursuant to art. 14, paragraph 2, sub-paragraphs e), e-bis) and e-ter), of Legislative Decree 39/10

The Directors of Ansaldo Energia S.p.A. are responsible for the preparation of the report on operations of Ansaldo Energia Group as of December 31st, 2025, including its consistency with the related consolidated financial statements and its compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to:

- express an opinion on the consistency of the report on operations with the consolidated financial statements;

- express an opinion on the compliance with the law of the report on operations;

- make a statement about any material misstatement in the report on operations.

In our opinion, the report on operations is consistent with the consolidated financial statements of Ansaldo Energia Group as of December 31st, 2025.

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In addition, in our opinion, the report on operations is prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2, sub-paragraph e-ter), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by
Carlo Laganà
Partner

Genoa, Italy
April 2, 2026

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

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