NHOA

Société anonyme
28 Rue de Londres

75009 PARIS

Statutory auditors' report
on the consolidated financial statements

For the year ended December 31, 2023

RBB Business Advisors

133 Bis rue de l'université

75007 PARIS
Commissaire aux comptes
Membre de la compagnie régionale de Paris

Deloitte & Associés

6, place de la Pyramide

92908 Paris-La Défense Cedex

S.A.S. au capital de 2 188 160 €

572 028 041 RCS Nanterre

Société de Commissariat aux Comptes
inscrite à la Compagnie Régionale de
Versailles et du Centre

NHOA

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Statutory auditors' report
on the consolidated financial statements

For the year ended December 31, 2023

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users. This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Nhoa Shareholders' Meeting,

Opinion

In compliance with the engagement entrusted to us by your Shareholders' Meeting, we have audited the accompanying consolidated financial statements of Nhoa for the year ended December 31, 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors for the period from January 1, 2023 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we bring your attention to the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period, as well as our responses to those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon. and we do not provide a separate opinion on specific items of the consolidated financial statements.

Valuation of revenue from construction contracts

(Notes 3.9.10 "Recognition of revenues from rendering of services and construction contracts" and 5.1. "Revenue" to the 2023 consolidated financial statements).

Key audit matter

Consolidated revenue totaled €272.2 million for the year ended December 31, 2023, including €204.5 million from construction contracts recognized on a percentage completion basis This revenue is recognized on a percentage completion basis when the criteria are met in accordance with IFRS 15. The revenue on these construction contracts is recognized according to the percentage completion method on the basis of the costs incurred in relation to the budget. Revenue recognized on a percentage completion basis is carried by subsidiaries: Nhoa Energy for €129.7 million, Nhoa Australia for €56.4 million, Nhoa Latam for €11.2 million and Nhoa Americas for €7.2 million.

We considered that revenue recognition on a percentage completion basis to be a key audit matter as the estimated costs for these construction contracts are based on operating assumptions and budget monitoring performed by management using its judgment and these estimates have a direct material impact on the amount of revenue recognized in the consolidated financial statements.

Our response

We assessed the procedures adopted by Nhoa Australia, Nhoa Energy, Nhoa Latam and Nhoa Americas to recognize revenue on a percentage completion basis.

Our work mainly consisted in:

- Analyzing the contracts for the period and the accounting treatment used for the companies Nhoa Energy, Nhoa Australia, Nhoa Americas et Nhoa Latam as of 12/31/2023 in connection with the contracts and according to the completion of the services provided;
- Comparing current and past estimates by project to ensure the reliability and robustness of the budget forecasting system and obtain documentation (contract addendum) for projects with current estimates that are different from previous estimates;
- Obtaining an understanding of the process used to estimate the costs incurred for reviewed contracts against the estimated costs controlled by management and verifying the design and implementation of the controls implemented by the Company to estimate these costs;
- Corroborating the analysis of the reviewed contracts with the estimated costs and the reviews conducted by the management of Nhoa Energy, Nhoa Australia, Nhoa Latam and Nhoa Americas;
- Based on a selected sample of contracts, verifying the correct application of the revenue measurement and recognition process and the existence of costs incurred at the reporting date;
- Analyzing the margin for each contract tested and verifying the budget assumptions adopted by management to ensure the relevance of total budgeted costs.
- Assessing the appropriateness of the disclosures in the notes to the consolidated financial statements.

Recognition of fixed assets relating to developments

(Notes 3.9.5 and 5.15 "Intangible assets" to the 2023 consolidated financial statements)

Risk identified

As at December 31, 2023, intangible assets arising from development expenses represented a net carrying amount of €17.6 million in the Nhoa SA group balance sheet.

As indicated in Note 3.9.5 "Intangible assets" to the consolidated financial statements, the Nhoa group capitalizes its external and internal direct and indirect development costs once the corresponding developed project is probable in accordance with IAS 38.

We considered the recognition and measurement of internally generated development projects to be a key audit matter considering the level of judgment required by management to assess compliance with capitalization criteria for the corresponding costs to determine the recoverable amount.

Our response

Our procedures consisted in:

- Obtaining an understanding of the controls designed and implemented by Nhoa Energy and Free2Move to identify and measure development costs that may be capitalized;
- Obtaining an understanding of the process to identify projects under development;
- Verifying that the conditions for capitalizing projects in accordance with accounting standards are properly satisfied;
- Analyzing the estimated development costs incurred for eligible projects;
- Verifying the technical feasibility needed to complete the projects through interviews with project managers;
- Verifying the intention of Nhoa Energy and Free2Move to complete and sell the intangible asset;
- Checking the availability of appropriate resources (technical, financial and other) to complete the development and to use or sell the fixed asset;
- Analyzing the amortization method used and performing arithmetical controls.
- Assessing the appropriateness of the disclosures in the notes to the consolidated financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information pertaining to the Group presented in the Board of Directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Other Legal and Regulatory Verifications or Information

Format of presentation of the consolidated financial statements included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (*code monétaire et financier*), prepared under the responsibility of Management, complies with the single electronic format defined in the European Delegated Regulation No. 2019/815 of December 17, 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to the technical limits inherent to the macro-tagging of consolidated financial statements in accordance with the European single electronic format, it is possible that the content of certain tags in the notes to the consolidated financial statements are not presented in an identical manner to the accompanying consolidated financial statements.

Furthermore, we have no responsibility to verify that the consolidated financial statements that will ultimately be included by your Company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Nhoa by the Shareholders' Meeting of July 1, 2020 for Deloitte & Associés and March 6, 2015 for RBB Business Advisors.

As of December 31, 2023, Deloitte & Associés and RBB Business Advisors were in the 4th year and 9th year of total uninterrupted engagement, respectively.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines 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, management is responsible for assessing the Company'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 it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and, where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards 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 financial statements.

As specified in Article L.821-55 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.
As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his 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;

- Obtains 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 internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- Assesses 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 Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains 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. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as significant audit findings. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.
We also provide the Audit Committee with the declaration referred to in Article 6 of Regulation (EU) no. 537/2014, confirming our independence pursuant to the rules applicable in France as defined in particular

by Articles L.821-27 to L.821-34 of the French Commercial Code and in the French Code of ethics for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris- La Défense, April 2, 2024
The Statutory Auditors

RBB Business Advisors	Deloitte & Associés
Marc BAIJOT	Benjamin HADDAD

2. CONSOLIDATED FINANCIAL STATEMENTS

The following statements have been examined by the Board of Directors of 22th February 2024.

2.1. Consolidated Income Statement

CONSOLIDATED INCOME STATEMENT (amounts in K Euro)	NOTES	31/12/2023	31/12/2022
Revenues		272.180	164.220
Other Income including non recurring		1.166	1.466
TOTAL REVENUES AND OTHER INCOME (including non recurring income)	5.1	273.346	165.686
Cost of goods sold	5.2	(218.143)	(150.627)
GROSS MARGIN FROM SALES (including non recurring income)		55.203	15.059
% on Revenues and other income		20,2%	9,1%
Personnel costs	5.3	(46.404)	(30.617)
Other operating expenses	5.4	(23.151)	(17.383)
EBITDA excluding Stock Option and Incentive Plans expenses, including non recurring income [1]	5.5	(14.352)	(32.941)
Amortization and depreciation	5.6	(11.141)	(7.022)
Impairment and write down	5.7	(1.710)	(5.977)
Non recurring expenses and Integration costs	5.8	(4.489)	(2.829)
Stock options and Incentive plans	5.9	(3.709)	(1.596)
EBIT	5.10	(35.401)	(50.364)
Net financial income and expenses	5.11	(6.023)	(3.851)
Income Taxes	5.12	(4.647)	1.971
NET INCOME (LOSS)	5.13	(46.071)	(52.244)
Attributable to:			
Equity holders of the parent company		(42.463)	(38.577)
Non-controlling interests		(3.607)	(13.668)
Basic earnings per share		(0,39)	(1,51)
Weighted average number of ordinary shares outstanding		108.755	25.534
Diluted earnings per share		(0,39)	(1,51)

[1] EBITDA excluding Stock Option and Incentive Plans expenses is not defined by IFRS. It is defined in notes 5.5 of the Consolidated Financial Statements

2.2. Consolidated Statement of Other Comprehensive Income

OTHER COMPREHENSIVE INCOME (amounts in K Euro)	31/12/2023	31/12/2022
NET INCOME (LOSS)	(42.463)	(38.577)
Exchange differences on translation of foreign operations and other differences	(1.468)	511
Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax)	12	(40)
Actuarial gain and (losses) on employee benefits	(130)	439
Other comprehensive income (loss) for the year, net of tax	(1.586)	910
Total comprehensive income for the year, net of tax	(44.049)	(37.667)
Attributable to Equity holders of the parent company	**(44.049)**	**(37.667)**

2.3. Consolidated Balance Sheet

ASSETS (amounts in K Euro)	NOTES	31/12/2023	31/12/2022
Property, plant and equipment	5.14	121.912	52.068
Intangible assets	5.15	34.708	15.418
Other non current financial assets	5.16	16.753	13.144
Other non current assets		47	60
TOTAL NON CURRENT ASSETS		173.420	80.690
Trade and other receivables	5.17	51.393	28.487
Contract assets	5.18	6.512	16.770
Inventories	5.19	18.642	18.099
Other current assets	5.20	47.599	29.753
Current financial assets	5.20	29.603	18.495
Cash and cash equivalent	5.21	238.901	47.386
TOTAL CURRENT ASSETS		392.650	158.990
TOTAL ASSETS		566.070	239.681

EQUITY AND LIABILITIES (amounts in K Euro)	NOTES	31/12/2023	31/12/2022
Issued capital	5.22	55.039	5.107
Share premium	5.22	376.994	180.589
Other Reserves	5.22	7.590	5.073
Retained Earnings	5.22	(133.876)	(93.843)
Profit (Loss) for the period	5.22	(42.463)	(38.577)
TOTAL GROUP EQUITY		263.284	58.349
Minorities interest	5.22	2.142	5.749
TOTAL EQUITY	5.22	265.426	64.098
Severance indemnity reserve and Employees' benefits	5.23	2.218	2.636
Non current financial liabilities	5.27	6.123	3.922
Other non current liabilities	5.26	29.057	15.867
Non current deferred tax liabilities	5.24	921	16
TOTAL NON CURRENT LIABILITIES		38.319	22.441
Trade payables	5.25	54.562	61.920
Other current liabilities	5.26	59.678	33.126
Current financial liabilities	5.27	148.085	58.096
TOTAL CURRENT LIABILITIES		262.326	153.141
TOTAL EQUITY AND LIABILITIES		566.070	239.681

2.4 Consolidated Statement of Changes in Equity

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (amounts in K Euro)	Share Capital	Premium Reserve	Stock Option and Warrants plan reserve	Other Reserves	Retained Earnings (Losses)	Profit (Loss) for the period	Total Group Equity	Minority interests	TOTAL EQUITY
Net Equity as of 31 December 2021	5.107	180.589	4.969	(961)	(67.066)	(27.213)	95.425	19.291	114.716
Previous year result allocation	-	-	-	35	(27.248)	27.213	-	(19.291)	(19.291)
Change in consolidation perimenther	-	-	-	(576)	-	-	(576)	-	(576)
Other movements	-	-	-	1.166	-	-	1.166	-	1.166
Non controlling interests	-	-	-	-	-	-	-	19.417	19.417
Loss for the period	-	-	-	-	-	(38.577)	(38.577)	(13.668)	(52.244)
Total comprehensive income	-	-	-	439	471	-	910	-	910
Net Equity as of 31 December 2022	5.107	180.589	4.969	104	(93.843)	(38.577)	58.349	5.749	64.098
Previous year result allocation	-	-	-	-	(38.577)	38.577		(5.749)	(5.749)
Shareholder's capital increase	49.933	196.405	-	-	-	-	246.337	-	246.337
Other movements	-	-	-	2.646	-	-	2.646	-	2.646
Non controlling interests	-	-	-	-	-	-	-	5.749	5.749
Loss for the period	-	-	-	-	-	(42.463)	(42.463)	(3.607)	(46.071)
Total comprehensive income	-	-	-	(130)	(1.456)	-	(1.586)	-	(1.586)
Net Equity as of 31 December 2023	55.039	376.994	4.969	2.621	(133.876)	(42.463)	263.284	2.142	265.426

2.5. Consolidated Statement of Cash Flows

CASH FLOW STATEMENT (amounts in K Euro)	NOTES	31/12/2023	31/12/2022
Net Income or Loss	5.13	(46.071)	(52.244)
Income Taxes	5.12	-	(1.971)
Amortisation and depreciation	5.6	11.141	7.022
Impairment and write down	5.7	1.444	5.977
Stock option and incentive plans impact	5.9	3.709	1.596
Defined Benefit Plan	5.23	(417)	428
Non-cash variation in equity opening		(154)	1.065
Non-cash variation in bank accounts		15	151
Working capital adjustments			
Decrease (increase) in tax assets	5.20	(344)	100
Decrease (increase) in trade and other receivables and prepayments	5.17,5.18	(32.077)	(35.889)
Decrease (increase) in inventories	5.19	(543)	(14.616)
Increase (decrease) in trade and other payables	5.25	20.099	47.580
Increase (decrease) in non current assets and liabilities	5.16,5.26	15.717	461
Net cash flows from operating activities		(27.481)	(40.341)
Investments			
Net Decrease (Increase) in intangible assets	5.15	(14.446)	(8.097)
Net Decrease (Increase) in tangible assets	5.14	(70.564)	(34.437)
Changes in consolidation perimeter		(15.528)	-
Net cash flows from investments activities		(100.538)	(42.535)
Financing			
Increase (decrease) in financial debts	5.29	87.041	729
Shareholders cash injection		246.337	-
Minorities cash injection		4.700	7.600
Decrease (increase) in current financial assets	5.20	(15.163)	(5.908)
Decrease (increase) in non-current financial assets		(3.609)	(940)
Translation differences	5.22	(1.468)	511
Lease liabilities		1.696	5.459
Net cash flows from financing activities		319.534	7.452
Net cash and cash equivalent at the beginning of the period		47.386	122.811
NET CASH FLOW FOR THE PERIOD		191.515	(75.424)
NET CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		238.901	47.386

3. ACCOUTING STANDARDS AND METHODS

The Consolidated Financial Statements reflect the financial situation of NHOA S.A. (the "Company") and its subsidiaries.

3.1. Accounting Principles and method evolution

In accordance with the European Regulation on international accounting standards dated 19 July 2002, the Group's consolidated financial statements are prepared in accordance with IFRS as published by the International Accounting Standards Board (IASB) and endorsed by the European Union.

The Group presented its Consolidated Financial Statements in euro, prepared in accordance with IFRS as issued by the IASB and adopted by the European Union. Except for the following changes, accounting rules and methods are the same as those applied in 2022 Annual Consolidated Financial Statements.

As of 31 December 2023, the following new accounting principles shall be applied mandatorily for the first time by companies reporting under IFRS.

3.1.1 New methods

Amendments to IAS 1 – Related to the concept of materiality – effective from 1 January 2023

In February 2021, the Board issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements (the PS), in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures.

The amendments aim to help entities provide accounting policy disclosures that are more useful by:

• Replacing the requirement for entities to disclose their 'significant accounting policies' with a requirement to disclose 'material accounting policy information', and

• Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

Amendments to IAS 8 – Related to the definition of accounting estimtes – effective from 1 January 2023

In February 2021, the Board issued amendments to IAS 8, in which it introduces a new definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors.

Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction – effective from 1 Jannuary 2023

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

IFRS 17 Insurance contracts replaces IFRS 4 – effective from 1 January 2021

IFRS 17 requires a company to measure insurance contracts using updated estimates and assumptions that reflect the timing of cash flows and any uncertainty relating to insurance contracts. This requirement will provide transparent reporting about a company's financial position and risk.

IFRS 17 requires a company to recognize profits as it delivers insurance services (rather than when it receives premiums) and to provide information about insurance contract profits the company expects to recognize in the future. This information will provide metrics that can be used to evaluate the performance of insurers and how that performance changes over time.

IFRS 17 supersedes IFRS 4 Insurance Contracts as of 1 January 2023.

The amendments, applicable as from 2021, have no significant impact on these statements.

3.1.2 Impacts of Middle East

The conflict in the Middle East has gradually spread across the region since it started between Israel and Hamas in October. Hence concerns have been raised about the risk of a further escalation of the conflict. The Yemen-based, Iran-backed Houthi rebels have been largely responsible for the Red Sea shipping attacks that have disrupted global trade flows. European economies are likely to be affected by supply disruptions to the Red Sea trade route as a significant proportion of imports to Europe is transported via the Suez Canal.

In this context, while NHOA has no direct exposure to the Middle East region, it could be potentially affected by trade flows disruptions as a result of the escalation to the conflict.

3.1.3 Impacts of Ukraine Crisis

As of 24 February 2022, the geopolitical crisis in Eastern Europe has intensified, with the Russian invasion of Ukraine. The war between the two countries continues to evolve as military activity proceeds and further sanctions are imposed with an immediate reflection in human terms for the populations involved and, increasingly, also on economic and global financial markets, including issues such as rising inflation and disruption to the global supply chain.

In this context, NHOA, while not having direct operations in the affected countries, has carefully considered potential indirect risks, including:

- Disruption or criticality in the supply chain;

- Volatility in commodity and currency prices;

- Disruptions in banking systems and capital markets;

- Cyber attacks.

While NHOA has no direct exposure to Ukraine or Russia, it could potentially be affected by the general economic uncertainty and negative impacts on the global economy and major financial markets resulting from the war.

3.1.4 Risks associated with foreign exchange rate

NHOA is exposed to the exchange rate risk. The Consolidated Financial Statements of the NHOA Group are prepared in Euros and, historically, NHOA has conducted its business in Euros. However, a large part of Energy Storage BU business in 2023 was conducted in US dollar (around 72% of total revenues) and Australian dollars (around 28% of total revenues). In the future, NHOA Energy and its subsidiaries could sign contracts whose main currency is the US dollar, Australian dollars or other currencies and which might represent a significant part of its business. Also, a significant part of Energy Storage BU's purchases (77% on 2023) are done in US dollars (e.g. batteries) and in Australian dollars (6% on 2023).

Therefore, NHOA is exposed to the foreign currencies exchange rate, conversion and transaction cost risks. The risk associated with currency fluctuations may materialise during the conversion into Euros of the value of assets and liabilities, revenues and costs not denominated in Euros. To the extent that the exchange rates of these currencies are exposed to fluctuations, they could affect the Consolidated Financial Statements of NHOA, which could also have a significant effect on NHOA's financial position and its results, as represented in NHOA's accounts. The risk related to foreign exchange rate variations may occur due to the difference in exchange rates between the closing date of the commercial transaction and the date of settlement.

Currently, NHOA's exposure to foreign currency risk is not financially hedged and the finance department monitors the foreign currency risk and manages it mainly through commercial and contractual arrangements.

In the future, management expectations are that an increasing number of contracts will be denominated in currencies different from the Euro, especially in US dollars and in Australian dollars. As a matter of fact, as at 31 December 2023, almost 94% of the Giga Storage Pipeline is located outside of the Euro zone and would potentially result in contracts originally denominated in US dollars, Australian dollars, GBP or other currencies. Consequently, as this risk is likely to increase, NHOA is considering reducing it through hedging activities as it expands internationally.

3.2 Format of the financial statements

NHOA presents an income statement using a classification based on the nature of expenses, rather than one based on their function, as this is believed to provide information that is more relevant. For the statement of financial position, a mixed format has been selected to present current and non-current assets and liabilities, as permitted by IAS 1. The statement of cash flows is presented using the indirect method.

3.3 Functional and presentation currency

The Consolidated Financial Statements are prepared in Euro, which is NHOA's functional and presentation currency. All financial information presented in Euro has been rounded to the nearest unit.

3.4 Use of estimates

The 2023 Consolidated Financial Statements, in accordance with IFRS principles, required the use of estimates, judgments and assumptions that affect the carrying amount of assets and liabilities, income and expense, as well as the disclosures in the notes relating to contingent assets and liabilities. The estimates and associated assumptions are based on elements that are known when the financial statements are prepared, on historical experience and on any other factors considered to be relevant. The estimates and underlying assumptions are reviewed periodically and if the items subject to estimates do not perform as assumed, then the actual results could differ from the estimates.

During the preparation of 2023 Consolidated Financial Statements, NHOA particularly focused on the following items:

- Recoverable amount of non-current assets: specifically, non-current assets include property, plant and equipment, intangible assets with definite useful lives (development costs) and other financial assets. NHOA periodically reviews the carrying amount of non-current assets held and used when events and circumstances warrant such a review and at least annually the carrying amount of intangible assets with indefinite useful lives. The analysis of the recoverable amount of non-current assets is usually performed using estimates of future expected cash flows from the use or disposal of the asset and a suitable discount rate in order to calculate present value or fair value less cost to sell;
- Post-retirement benefits are on an actuarial basis which takes into consideration parameters of a financial nature such as the discount rate, the rates of salary increase and the rates of health care cost increases and the likelihood of potential future events estimated by using demographic assumptions such as mortality rates, dismissal and retirement rates;
- Allowance for doubtful accounts: the allowance for doubtful accounts reflects the management’s estimate of losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions;
- Allowance for obsolete and slow-moving inventory: it has been determined on the basis of past experience, as well as on historical and expected future trends;
- Deferred tax assets are recorded if they are likely to be recovered according to the expected future taxable results;
- The fair value of the financial assets and liabilities are included in NHOA’s financial statements at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale;
- For cash-settled share-based payment transactions, the Company measures the goods or services acquired and the liability incurred at the fair value of the liability. Until the liability is settled, the Company remeasures the fair value of the liability at each reporting date and at the date of settlement, with any changes in fair value recognized in profit or loss for the period;
- Valuation of employee stock ownership plans ("ESOPs"). The fair value assessment of awarded ESOPs is conducted using a valuation model that considers the probability of

meeting their acquisition conditions. This model requires the company to utilize certain calculation assumptions such as the expected stock volatility.

- Estimation of useful life of assets (depreciation).

3.5 Key Performance Indicators

NHOA adopts the following non-IFRS performance indicators:

- NHOA, e.g. sales by Business Units;
- NHOA Energy, e.g. backlog, order Intake, MWh online capacity, MWh under construction, Pipeline and shortlisted projects in pipeline;
- Free2move eSolutions, e.g. manufacturing capacity;
- Atlante, e.g. utilization and occupancy rate of the Atlante network, number of sites online & under construction, points of charge online and under construction (including % split between Italy, France, Spain and Portugal and also including split between online, built and waiting for grid connection and secured & under construction), number of sites under assessment and under development.

KPI evolution is presented in note 3.8.

3.6 Segment information

In accordance with IFRS 8, segment information is reported on the same basis as used internally by the Chief Executive Officer and the Group Managing Director – NHOA's chief operating decision makers (CODM) – to allocate resources to segments and assess their performance.

An operating segment is a separate component of NHOA that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the CODM, and for which discrete financial information is available. Each operating segment is represented in the chapter 4.

Financial information provided on operating segments is prepared in accordance with the same accounting rules as in the consolidated financial statements.

3.7 Evolution of the consolidation area

As at 31 December 2023 the consolidation area is represented as follows:

COMPANY	PERCENTAGE OF OWNERSHIP	PERCENTAGE OF CONSOLIDATION	31/12/2023
NHOA	100%	100%	Parent Company
Alpis	51%	100%	Fully Consolidated
Atlante	100%	100%	Fully Consolidated
Atlante Fast Charging Portugal	100%	100%	Fully Consolidated
Atlante France	100%	100%	Fully Consolidated
Atlante Iberia	100%	100%	Fully Consolidated
Atlante Infra Portugal	60%	100%	Fully Consolidated
Atlante Italia	100%	100%	Fully Consolidated
COMORES ÉNERGIES NOUVELLES	100%	100%	Fully Consolidated
EPS Manufacturing	100%	100%	Fully Consolidated
Free2move eSolutions	49,9%	100%	Fully Consolidated
Free2move eSolutions France	49,9%	100%	Fully Consolidated
Free2move eSolutions Germany	49,9%	100%	Fully Consolidated
Free2move eSolutions North America	49,9%	100%	Fully Consolidated
Free2move eSolutions Spain	49,9%	100%	Fully Consolidated
Free2move eSolutions UK	49,9%	100%	Fully Consolidated
NHOA Corporate	100%	100%	Fully Consolidated
NHOA Energy	100%	100%	Fully Consolidated
NHOA Americas	100%	100%	Fully Consolidated
NHOA Australia	100%	100%	Fully Consolidated
NHOA Latam	100%	100%	Fully Consolidated
NHOA Taiwan	100%	100%	Fully Consolidated
NHOA Spain	100%	100%	Fully Consolidated
NHOA UK	100%	100%	Fully Consolidated

NHOA fully consolidates Free2move eSolutions in accordance with IFRS 10.

All important decisions are under NHOA control with reference to:

CAPEX and Technological Road Map: capex investments are under NHOA control since the Chairman (appointed amongst the directors designated by NHOA) will be responsible for the approval, in consultation with the CEO, of the Technology Roadmap, and of any related investment decisions for the relevant implementation, but in any event within the limit of the amount of Euro 20,6 million as provided by the Business Plan (or any other higher amount in case of amendment of the Business Plan approved by the Board of Directors according to Paragraph 11.7 of the ISHA)

Strategic Procurement and Pricing: could directly affect revenues and costs foreseen by Business Plan. All those elements are under NHOA control who has responsibilities on Strategic Procurements and TechSales and Strategic Pricing (both functions reporting to the CTO).

All important decisions different from CAPEX, technological road map and Strategic Procurement are Reserved Matters at qualified majority, in addition there is a casting vote for important matters in favor of NHOA. The decision power of NHOA has the ability to dramatically influence the returns of Free2move eSolutions.

In addition to the voting rights that certainly attribute to NHOA the power over the relevant activities, it would also appear appropriate to consider the purpose of the transaction. In particular, NHOA's and FCA's design of the overall structure is to enable NHOA to continue to develop the e-Mobility sector and at the same time to obtain financial resources from a non-controlling financial investor without the skills in the e-Mobility sector.

The impact of F2MeSolutions Groups'key financial data in NHOA are:

Key Financial Data[1] (amounts in K Euro)	31/12/2023	31/12/2022
Revenues and other income	64.679	10.755
Gross margin	21.187	(6.262)
EBITDA excluding Stock Option and Incentive Plans expenses, including non recurring income	3.060	(25.821)
Net result	(7.456)	(33.007)
Non-current assets	43.620	23.826
Current assets	68.030	52.435
Non-current liabilities	1.599	919
Current liabilities	75.507	48.384
Net financial position	(14.259)	2.428

1 excluding intercompany transactions

As at 31 December 2022 the consolidation area is represented as follows:

COMPANY	PERCENTAGE OF OWNERSHIP	PERCENTAGE OF CONSOLIDATION	31/12/2022
NHOA	100%	100%	Parent Company
Atlante	100%	100%	Fully consolidated
Atlante Fast Charging Portugal	100%	100%	Fully consolidated
Atlante France	100%	100%	Fully consolidated
Atlante Iberia	100%	100%	Fully consolidated
Atlante TopCo	100%	100%	Fully consolidated
COMORES ÉNERGIES NOUVELLES	100%	100%	Fully consolidated
EPS Manufacturing	100%	100%	Fully consolidated
Free2move eSolutions	49,9%	100%	Fully consolidated
Free2move eSolutions France	49,9%	100%	Fully consolidated
Free2move eSolutions Germany	49,9%	100%	Fully consolidated
Free2move eSolutions North America	49,9%	100%	Fully consolidated
Free2move eSolutions Spain	49,9%	100%	Fully consolidated
Free2move eSolutions UK	49,9%	100%	Fully consolidated
NHOA Corporate	100%	100%	Fully consolidated
NHOA Energy	100%	100%	Fully consolidated
NHOA Americas	100%	100%	Fully consolidated
NHOA Australia	100%	100%	Fully consolidated
NHOA Latam	100%	100%	Fully consolidated

3.8 Key Performance Indicators

TRADING AND OPERATIONAL UPDATE	Notes	Data in	2022 FY 2022	2023 FY 2023	Var% vs FY 2022
Consolidated Sales[1]		€m	165,7	273,3	+65%
Cash and Deposits		€m		238,8	
of which delta Net Working Capital	(1)	€m			
Cash Collateralized		€m		44,7	
Indebtedness		€m		(149,1)	
Net Cash	(2)	€m		134,4	
Consolidated Cash and Credit Lines available	(3)	€m	74,7	397,1[2]	
of which cash and credit lines available for drawdown		€m		251,7	
of which guarantees dedicated credit lines		€m		145,4	
Grants and Financing Awarded	(4)	€m		80,9	
Oustanding Bonds and Guarantees	(5)	€m		152,2[3]	

BY BUSINESS UNIT	Notes	Data in	FY 2022	FY 2023	Var% vs FY 2022
Sales[1]		€m	153,6	204,9	+33%
Backlog	(6)	€m	301	205	-32%
12-month Order Intake	(7)	€m	244	131	-46%
Online Capacity[4]		MWh	126	846	+572 %
Projects Under Construction	(8)	MWh	1.384	1.073	-22%
Pipeline	(9)	€m	1.043	1.110	+6%
Projects in which NHOA is shortlisted		#	3	4	

	Notes	Data in	FY 2022	FY 2023	Var% vs FY 2022
Sales[1]	-	€m	11,4	64,7	+467 %
Manufacturing Capacity		# PoC	2.750 / week	2.750/ week	

	Notes	Data in	FY 2022	FY 2023	Var% vs FY 2022
Sales[1]	(10)	€m	0,6	3,7	+474 %
Utilization Rate[5]	(11)	%	N/A	2,2%	
Occupancy Rate	(12)	%	N/A	21,5%	
Sites Online and Under Construciton [6]	(13)	#	554	1.147	+107%
PoC Online and Under Construction [6]	(14)(15)	#	2.088	3.651	+75%
- Italy		%	N/A	42%	
- France		%	N/A	22%	
- Spain		%	N/A	10%	
- Portugal		%	N/A	26%	
of which PoC online [6]		#	N/A	1.830	
of which PoC already built and waiting for grid connection [6]		#	N/A	264	
of which PoC Secured & Under Construction [6]		#	N/A	1.557	
Sites Under Assessment	(16)	#	2.165	2.891	+34%
Sites Under Development	(17)	#	569	1.517	+167%

[1] Sales refers to Revenues & Other Income. FY2023 Sales refers to audited Revenues & Other Income as at 31 Dec 2023.

[2] 151 million are represented by credit lines that benefit from the support of the major shareholder, Taiwan Cement Corporation.

[3] 94.1 million of the outstanding bonds and guarantees benefit from the support of the major shareholder, Taiwan Cement Corporation.

[4] Starting from Q2 2023, the Online Capacity KPI is expressed in MWh and not in MW.

[5] Q4 2023 as of 31 Dec Utilization Rate is computed weighting past periods and quarterly utilization rates.

[6] This performance indicator includes AC PoC, mainly coming from the KLC and Ressolar acquired networks.

Notes to the Trading and Operational Update

(1) Delta Net Working Capital indicator has been added in Q4 2023 and at each Quarter is calculated as (A) delta in short-term commercial liabilities over the three-months period *less* (B) delta in short-term commercial assets over the three-months period.

(2) Net Cash indicator has been introduced in Q3 2023 and it represents the sum of the amount of (i) the bank accounts balances and readily available cash investments of the NHOA Group (Cash and Deposits), (ii) the amount of cash deposited with banks as collateral (and thus excluded from (i)) for the guarantees they issue for the NHOA Group's projects (Cash Collateralized), after deduction of (iii) amounts drawn under credit facilities and other financial indebtedness, plus accrued interest.

(3) the **Consolidated Cash and Credit Lines available** indicator has been amended in Q3 2023 and it represents the bank accounts balances and readily available cash investments of the NHOA Group (Cash and Deposits) plus amounts available for draw down as of the relevant reporting date under approved credit lines and banks guarantees that can be issued.

(4) Grants and Financing Awarded indicator has been introduced in Q3 2023 and it represents the total amount of grants and financing approved and available for drawdown on agreed future dates.

(5) Outstanding Bonds and Guarantees indicator has been introduced in Q3 2023 and it represents the amount of bank guarantee securities (i.e. advance payment bonds, performance bonds, warranty bonds and other guarantees) issued as financial security for the fulfillment of NHOA's obligations in accordance with the terms of the agreed project and commercial contracts.

(6) Backlog means the estimated revenues and other income attributable to (i) purchase orders received, contracts signed and projects awarded (representing 100% of Backlog as of the date hereof), and (ii) Project Development contracts associated with a Power Purchase Agreement, where the agreed value is a price per kWh of electricity and an amount of MW to be installed (nil at the date hereof). When any contract or project has started its execution, the amount recognized as Backlog is computed as (A) the transaction price of the relevant purchase order, contract or project under (i) and (ii) above, *less* (B) the amount of revenues recognized, as of the relevant reporting date, in accordance with IFRS 15 (representing the amount of transaction price allocated to the performance obligations carried out at the reporting date).

(7) 12-month order intake represents the cumulated value of new purchase orders received, contracts signed and projects awarded in the 12 months preceding the relevant reporting date.

(8) Projects Under Construction is an indicator representing the capacity equivalent of Backlog, in terms of signed turnkey supply or EPC contracts and therefore excluding Project Development contracts associated with a Power Purchase Agreement, (please see Note (5) above).

(9) Pipeline means the estimate, as of the release date, of the amount of potential projects, tenders and requests for proposal for which NHOA Energy has decided to participate or respond.

(10) Sales include the data coming from the recent acquisition of the e-mobility business unit of Ressolar S.r.l. ("**Ressolar**") and the recent acquisition of the majority stake in Kilometer Low Cost S.A. ("**KLC**").

(11) Utilization Rate indicator first published in Q2 2023, applies to Italy, France and Spain only and is calculated first at station level as the ratio of (a) kWh sold divided (b) the maximum available power (i.e. the available grid connection) multiplied by 18 hours (being the assumed daily maximum charging hours) per number of days in the relevant period. The ratios are then aggregated, weighted by the stations' available power. Note that stations' utilization data is only included in the calculation after a phase-in period of six months and for sites with at least one DC fastcharging EVSE.

(12) Occupancy Rate indicator applies to Portugal only where, due to the different local market regulations, as Charge Point Operator (CPO) Atlante is remunerated for the usage of its infrastructure "by minute". Occupancy rate is therefore calculated on a 24-hour basis, at a charger level considering 1 PoC per EVSE as the ratio of (a) minutes of charging sessions sold divided (b) total number of minutes in the relevant period. The ratios are then aggregated, weighted by the stations' available power. Note that stations' occupancy data is only included in the calculation after a phase-in period of six months.

(13) Sites Online and Under Construction, includes, as of the relevant reporting date, the number of sites already operational, already installed but waiting for grid connection, secured and under construction. Please note that this performance indicator includes sites with AC points of charge, mainly coming from the KLC and Ressolar acquired networks.

(14) PoC Online and Under Construction, includes the points of charge already operational, as of the relevant reporting date, already installed but waiting for grid connection, secured and under construction. Please note that this performance indicator includes AC points of charge, mainly coming from the KLC and Ressolar acquired networks.

(15) Of the PoC Online and Under Construction performance indicator the geographical and construction phase split are provided, including the AC points of charge, mainly coming from the KLC and Ressolar acquired networks.

(16) Sites Under Assessment includes the total number of sites, as of the relevant reporting date, which are actively pursued after prospecting activity and following a first internal screening for high level feasibility. At this point, the full contractual documentation remains to be finalized and signed, all the required permits have not yet been awarded and construction has not started.

(17) Sites Under Development, includes sites for which a more detailed feasibility activity commences, including detailed discussions with site owners and exchange of documentation. For the sites included in the "under development" performance indicator there would be a reasonable degree of confidence that they can be converted into stations within the next six months (subject to interconnection and timely delivery of hardware).

3.9 Significant accounting policies

3.9.1 Business combinations

Business combinations are accounted for using the acquisition method under IFRS 3. The identifiable assets acquired, the liabilities and contingent liabilities assumed are recognized at their fair value at that date of the acquisition if they meet IFRS 3 accounting criteria. The goodwill represents the future cash flows deriving from the post-acquisition synergies exceeding the identifiable assets acquired and the liabilities assumed. Acquisition-related costs are recognized in profit or loss as incurred.

If the initial accounting for a business combination can be determined only provisionally by the end of the first reporting period, the business combination is accounted for using provisional amounts. Adjustments to provisional amounts, and the recognition of newly identified asset and liabilities, must be made within the 'measurement period' where they reflect new information obtained about facts and circumstances that were in existence at the acquisition date. The measurement period cannot exceed one year from the acquisition date and no adjustments are permitted after one year except to correct an error.

3.9.2 Financial instruments

Non-derivative financial assets

The NHOA Group initially recognized loans and receivables and deposits on the date they originated. All other financial assets (including assets designated at fair value through profit and loss) are recognized initially on the trade date at which the NHOA becomes a party to the contractual provisions of the instrument.

The NHOA Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the right to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of the ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the NHOA is recognized as a separate asset or liability.

Financial assets and liabilities are offset, and the net amount presented in the statement of financial position, when, and only when, the NHOA has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The NHOA Group has the following non-derivative financial assets:

- loans and receivables; and
- cash and cash equivalents.

Loans and receivables

Loans and receivables are financial assets with fixes or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. These financial assets are subject to a provision for expected losses as of their initial recognition, according to the so-called simplified method prescribed by IFRS 9 for trade receivables.

Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

In accordance with IAS 1, the Group presents current and non-current assets and current and non-current liabilities separately in the statement of financial position. In view of the majority of the Group's activities, it was considered that the criterion to be used to classify assets is the expected time to realize the asset or settle the liability: the asset classified as current if this period is less than 12 months and as non-current if it is more than 12 months after the reporting period.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less, without risk of changes in value.

Non-derivative financial liabilities

NHOA Group initially recognizes debt securities issued and subordinated liabilities on their date of origination. All other financial liabilities are recognized initially on the trade date, which is the date that NHOA becomes a party to the contractual provisions of the instrument.

NHOA Group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial asset and liabilities are offset and the net amount presented in the statement of financial position when, and only when, NHOA has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The NHOA classifies non-derivate financial liabilities into the other financial liability's category. Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

Other financial liabilities are comprised of loans and borrowings, other short-term financial liabilities, and trade and other payables.Bank overdrafts that are repayable on demand and form an integral part of the NHOA Group's cash management are included as a component of cash and cash equivalents.

3.9.3 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

3.9.4 Property, plant and equipment

Costs

Items of property, plant and equipment are measured at acquisition cost less accumulated depreciation and accumulated impairment losses.

Gain and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized in the profit and loss.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the NHOA and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-by-day servicing of property, plant and equipment are recognized in profit and loss as incurred.

Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognized in the profit and loss on a straight-line basis over the estimated useful live of each component of an item of property, plant and equipment. Land is not depreciated.

The estimated useful lives for the current and comparative years are as follows:

- Equipment and machinery – 6, 7 years
- Electronic hardware – 5 years
- Furniture – 6, 7 years
- Vehicles – 5 years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate for the future.

3.9.5 Intangible assets

Development costs and other intangible assets

Other intangible assets consist of internally generated items in the development phase which are recognized if, and only if, the NHOA Group can demonstrate all of the following:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the intangible asset and use or sell it;
- its ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits – among other things, the NHOA Group can demonstrate the existence of a market for the output of the intangible assets or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Internally generated brands, customer lists and items similar in substance are not recognized as intangible assets.

The cost of the internally generated intangible asset is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria and comprises all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit and loss as incurred.

Amortization

Amortization is based on the cost of an asset less its residual value. Amortization is recognized in profit and loss on a straight-line basis over the estimated useful lives of intangibles asset, other than goodwill, from the date that they are available for use.

The estimated useful lives for the current and comparative years are as follows:

- development costs – from 3 to 5 years, depending on the specific project;
- trademarks, patents and licenses with definite useful life – 10 years (anyway not longer than the patent or the license life).

Amortization method, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Non-current Assets Held for Sale and Discontinued Operations

Assets (or disposal groups) held for sale are not depreciated, are measured at the lower of carrying amount and fair value less costs to sell and specifically disclosed.

3.9.6 Impairment of assets

At the end of each reporting period, NHOA Group assesses if there is any indication that its intangible assets (including development costs) and its property, plant and equipment may need to be impaired.

An impairment loss is recognized if the carrying amount of an asset or its related cash-generating unit ("CGU") exceed its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest NHOA Group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

An impairment loss is recognized if the recoverable amount is lower than the carrying amount.

Impairment losses are recognized in profit and loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss had been recognized. On the contrary, impairment loss on goodwill cannot be reversed. The reversal of an impairment loss is recognized in the income statement immediately.

Determination of cash generating units

NHOA Group has three business activities, i.e. the sale of a Balance of System and related components for Grid Support Solutions Off-Grid Power Generation Solutions, e-mobility Solutions and EV Fastcharging Network. The tangibles assets of the NHOA do not generate largely independent cash flows and therefore the impairment tests are performed on the NHOA as a whole, with the exception of the EV Fastcharging Network BU for which it is possible to identify a cash generating units, "the network of sites", so the impairment test is performed on the network of sites as a whole.

The tangible assets are located in Italy, France and Spain and are dedicated to the activities pertaining to the Balance of System, V2G and EV Fastcharging Network. Balance of System are manufactured or vertically integrated by NHOA thanks to its vertically integrated technology platform and related know-how (patents, development and know-how). All intangible assets are dedicated to the sale of hybrid storage solutions and e-mobility products. In particular, development costs, patents and trademarks accounted in the consolidated Financial Statements are connected to the sale of hybrid storage solutions and e-mobility products. As a consequence, it is not possible to identify any NHOA assets smaller than the whole NHOA Group's assets, because these assets generate cash flows linked with the sale of hybrid storage solutions to clients worldwide.

3.9.7 Inventories

Inventories are measured at the lower between the cost and net realizable value. The cost of inventories is based on the weighted average method, and includes expenditure incurred in acquiring the inventories, conversion costs and other costs incurred in bringing them to their existing location and condition. Transfer from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchase of inventories may also be included as costs.

Provisions are made for obsolete and slow-moving raw material, finished goods, spare parts and other supplies based on their expected recoverable amount and realizable value. Net realizable value is estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

3.9.8 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit and loss in the periods during which services are rendered by employees.

In Italy, almost every employee benefits of a defined contribution plan is provided by law (so called "Trattamento di fine Rapporto" - TFR). Companies have to pay, on a monthly basis, a certain percentage of the employees' payroll. These amounts are collected by INPS (Istituto Nazionale della Previdenza Sociale – National Social Insurance Agency) that will ensure a pension to the employee on retirement. Employees can also choose to address their TFR to pension funds different from INPS.

The accumulated TFR fund is then paid when a job separation occurs, regardless of its reason, or at retirement. Under specific circumstances, the employee working more than eight consecutive years with the same employer can obtain a partial withdrawal on the accumulate TFR. This benefit is unfunded.

The NHOA Group determines the net defined benefit liability for the period on the basis of an actuarial calculation. Actuarial gains and losses are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

Short-term employee benefits

Short-term employee benefit obligations are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Stock-option plans

According to IFRS 2, services paid through the issuance of shares, or rights to shares should be accounted for in personnel costs. These services are evaluated at fair value of the instruments granted and are recognized as costs in the period in which the rights are acquired. Since these plans are settled through NHOA Group's shares, the entry corresponding to these costs is recognized directly in Equity.

3.9.9 Provisions

A provision is recognized if, as a result of a past event, the NHOA Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

A provision for restructuring is recognized when NHOA has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating costs are not provided for.

3.9.10 Revenues recognition

Revenues are recognized to the extent that it is probable that the economic benefits will flow to the NHOA Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. NHOA has concluded that it is the Principal entity in all of its revenue arrangements since it is the primary obligor in all arrangements generating revenues, it has pricing latitude and it is also exposed to inventory.

Revenue from the sale of goods is recognized in accordance with IFRS 15 when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discount and volume rebates. The NHOA Group provides normal warranty provisions for general repairs for two years on all its products sold, in line with the industry practice. Based on the historical warranty costs sustained and on the warranty obligations still pending, no provision has been considered necessary.

Rendering of services and construction contracts

Revenues deriving from rendering of services (installation and maintenance of installed machineries) are accounted according to IFRS 15, when transferring control to the customer, which in practice generates continuous recognition over the service period.

Revenues from construction contracts: Income on these contracts is recognized for completion only to the extent that the criteria set out in IFRS 15 are fulfilled. This includes demonstrating that an asset is built without alternative use and that the contract provides for securing payments up to the incurred costs incremented by a reasonable margin. For these contracts, the income is then recognized at the stage of progress according to the cost method incurred. When the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are eligible to be recovered.

If the conditions for a continuous income recognition are not met, the turnover is then recognized only at the end of the project, when the control is transferred to the customer.

Finally, each contract is broken down into several performance bonds, with a turnover allocated and recognized according to the criteria specific to each of them.

Bill-and-hold arrangements

Revenues deriving from bill-and-hold arrangements are accounted according to IFRS 15, if all the following criteria are met:

(a)the reason for the bill-and-hold arrangement must be substantive (for example, the customer has requested the arrangement);
(b)the product must be identified separately as belonging to the customer;
(c)the product currently must be ready for physical transfer to the customer; and
(d)the entity cannot have the ability to use the product or to direct it to another customer.

When NHOA recognises revenue for the sale of a product on a bill-and-hold basis, NHOA considers whether it has remaining performance obligations (for example, for custodial services) in accordance with paragraphs 22–30 to which NHOA shall allocate a portion of the transaction price in accordance with paragraphs 73–86.

Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied by the NHOA Group. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, a deferred income is recognised. The grant is then recognized in profit and loss on a systematic basis over the useful life of the asset.

3.9.11 Income taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the NHOA Group operates and generates taxable income.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statements of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretations and establishes provisions where appropriate.

Deferred taxes

Deferred taxes are accounted for by using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit and loss is recognized outside profit and loss. Deferred tax items are recognized in correlation to the underlying transaction either in profit and loss or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable rights exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognized subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognized in profit and loss.

3.9.12 Treasury stock and earnings per share

The cost of any treasury stock purchased and/or held, also through subsidiaries, as a result of specific shareholder resolutions are recognized as a deduction from equity. The proceeds from any subsequent sale are recognized in equity.

Basic earnings per share are calculated by dividing the profit (loss) attributable to owners of the parent entity by the weighted average number of shares outstanding during the year. For diluted earnings per share, the weighted average number of shares outstanding is adjusted assuming conversion of all shares having a potential dilutive effect.

3.9.13 Other information

The NHOA Group did not enter into any derivative financial instruments nor into any contractual agreements to transfer financial assets.

4. SEGMENT REPORTING

NHOA's segmental reporting reflects the Group's operating segments, whose results are regularly reviewed by the CODM to assess segment performance and to make decisions about resources to be allocated to each segment.

Within the context of the Masterplan10x, announced to the market on July 2021, a new simplified operating model was introduced, which is structured around three Business Units ("BU"): NHOA Energy, Free2move eSolutions and Atlante. Effective from 1 January 2022, NHOA's management has also redesigned the internal reporting system to CODM, in line with Masterplan10x. In order to comply with the provisions of the international reporting standard that regulates the segment reporting (IFRS 8), the reportable segments of NHOA are identified as follows:

(i) **NHOA Energy**, NHOA Group's business unit dedicated to energy storage, led by Giuseppe Artizzu as general manager, offering across four geographies (Americas, EMEA, Asia-Pacific) (a) storage solutions designed to support the transmission and distribution grids in dealing with increasing penetration of intermittent renewable sources, and (b) distributed storage solutions to address the sustainability, affordability and reliability needs of the industrial and power generation sectors, with the potential inclusion of hydrogen-based solutions.

(ii) **Free2move eSolutions**, NHOA Group's business unit dedicated to e-mobility products and services, represented by F2M eSolutions, the joint venture with Stellantis, from November 2022 led by Mathilde Lheureux as general manager which offers innovative solutions and technologies for EV charging, and develops the technology that enables the energy exchange between vehicles and the power grid.

(iii) **Atlante**: led by Stefano Terranova as general manager, this is a business unit dedicated to EV fast and ultra-fast charging network, enabled by renewables, energy storage and 100% grid integrated, initially in Italy, France, Spain and Portugal (collectively "Southern Europe").

(iv) **Corporate**: includes the main business support functions, in particular corporate legal, corporate finance, central treasury, IT, human resources, corporate communication, investor relation, headquarter services, corporate insurance activities and the ESG activity.

Segment information presented to the CODM includes: revenues, EBITDA and net profit.

4.1 Information by operating segment

Information by operating segment (amounts in K Euro)	Nhoa Energy	Free2move eSolutions	Atlante	Corporate	Total
Revenues	204.492	64.454	3.234	-	272.180
Other Income including non recurring	443	226	492	6	1.167
TOTAL REVENUES AND OTHER INCOME	204.935	64.679	3.726	6	273.346
Cost of goods sold	(174.915)	(41.266)	(1.966)	4	(218.143)
GROSS MARGIN FROM SALES	30.020	23.413	1.760	10	55.203
% on Revenues and other income	14.6%	36.2%	47.2%	170.7%	20.2%
Personnel costs	(17.363)	(12.028)	(11.968)	(5.046)	(46.404)
Other operating expenses	(5.177)	(6.314)	(7.991)	(3.669)	(23.151)
EBITDA	7.481	5.070	(18.199)	(8.705)	(14.352)
Amortization and depreciation	(4.817)	(2.889)	(2.913)	(521)	(11.141)
Impairment and write down	(426)	(1.283)	-	-	(1.710)
Management Fees	(1.555)	(66)	(1.122)	2.743	-
Stock options and Incentive plans	(2.099)	-	(531)	(1.079)	(3.709)
EBIT excluding non-recurring items	(1.418)	832	(22.765)	(7.561)	(30.913)
Non recurring expenses and Integration costs	(279)	(573)	(3.036)	(601)	(4.489)
EBIT	(1.697)	258	(25.802)	(8.162)	(35.402)
Net financial income and expenses	(2.718)	(1.925)	(2.244)	864	(6.023)
Income Taxes	117	(4.859)	98	(4)	(4.647)
NET INCOME (LOSS)	(4.297)	(6.525)	(27.947)	(7.302)	(46.071)

4.1.1 NHOA Energy

NHOA Energy, NHOA Group's business unit dedicated to energy storage, confirmed EBITDA-positive also in FY 2023, with €7.481k of EBITDA realized on €204.935k of revenues and other income, while implementing the global origination and execution platform in 4 geographies requested an increase in operating costs that almost doubled compared to the previous year.

Revenues and Other Income grew by 33% compared with FY 2022. NHOA Energy Business Unit is continuing its focus on Execution, carrying forward activities on 16 projects located in four continents around the world, from Europe to North and South America, from Australia to Asia. The main contributor to FY 2023 revenues is the 300+MWh Heping Big Battery project in Taiwan.

REVENUES AND OTHER INCOME (INCLUDING NONRECURRING INCOME) BY INSTALLATIONS GEOGRAPHICAL AREAS* (amounts in K Euro)	31/12/2023	31/12/2022
ASIA	123.271	44.753
AUSTRALIA	56.401	84.444
LATIN AMERICA	16.574	13.872
USA	6.925	3.451
EUROPE	809	6.548
AFRICA	511	555
TOTAL REVENUES AND OTHER INCOME (INCLUDING NON-RECURRING INCOME)	204.492	153.623

*Excluding e-Mobility, EV Fastcharging Network & Corporate BUs

Backlog totalizes €205 million, -32% compared to FY22. Projects in backlog are 99% related to third parties (while the 44% was related to projects where TCC was the client in 2022) and are mainly represented by 1 projects in Australia (400MWh+ Neoen Blyth), 6 projects in EMEA for aggregated 400MWh+. In addition, Nhoa has 50MWh+ in execution in America and 100MWh+ in Asia. Decrease is partially due to the 2023 Revenues and partially to a 20%+ industry-wide drop in system prices deriving from a welcome rapid degression in battery prices that while increase the expected market size in the medium term, affects the contract price in the coming months.

In FY 2023, 8 plants have been commissioned and are now successfully operational: a 22 MWh storage system expansion of Hoping 1 project in Taiwan and two projects in Italy for a cumulated capacity 41 MWh, the first of 2 Peruvian Project of 31MWh, one of the 2 location of the project in Massachusetts (12MWh) and the 2 massive projects in Taiwan for a cumulated storage system of +410MWh. Lastly but not less important, the first project in Australia, in Kwinana, is commercially commissioned and the company is working to complete last formalities.

Pipeline in the NHOA Energy Business Unit is substantially in line compared to 31 December 2022, still exceeding €1 billion, across Australia, Asia, North America, Europe and Latin America. NHOA is currently shortlisted in 4 opportunities.

Gross Margin % calculated on Sales, is standing at 14,6%, improved respect on FY22 - closed at 9,1% - thanks to the new project mix.

NHOA Energy Business Unit **EBITDA reached €7,5m** in FY 2023, confirming its positive profitability, despite its enlarged perimeter, and achieve **EBITDA guidance FY23, expected to be between €5m and €10m**.

For the second year in a row, NHOA Energy Graduate Program has been launched, with the hiring of other 10 young talents, who are now learning from field experts and top management in their day by day activities, with the aim to grant a bright future of the company.

BU NHOA Energy **EBIT excluding non-recurring items** is equal to €-1.418k improving with respect to FY22 of €-3.683k, while **Net Result** is negative for €-4.297k.

4.1.2 Free2move eSolutions

Business Unit of NHOA Group dedicated to e-mobility, joint venture with Stellantis, is in full operation since May 2021 and after a transition year where it faced a globally disrupted supply chain for critical components lead time and a reorganization at top management level, with the appointing of the new CEO Mathilde Lheureux in

November 2022, showed encouraging results, mainly thanks to the opening of the US Market, operated by the new subsidiary Free2move eSolutions US, that allow the company to reach EBITDA and EBIT Breakeven.

Revenues and Other Income raised to €64.679k, 5,5x FY 2022, of which €54.410k coming from the newborn company in US.

Gross Margin of the period stand at 36,2%, with a favorable mix of Free2move eSolutions US.

EBITDA for FY 2023 reached and exceed Breakeven Point, with a final €5.070k. The expansion in North American market, represented a turnpoint that gave stability and positive feeling for the near future.

Free2move eSolutions also joined the AVERE network, the European Association for Electromobility promoting electric mobility and sustainable transports. AVERE is aplatform which includes NGOs, research centers and corporates for continuous dialogue between all stakeholders to make possible the European goal of zero-emission mobility.

Also **EBIT excluding non-recurring** reached Breakeven point and stands at €832k, while **net result** has been heavily affected from the cost of the financing (most of it intercompany) and US income taxes, closing at €-6.525k.

4.1.3 Atlante

Atlante, Business Unit of NHOA Group dedicated to electric vehicles fast and ultra-fast charging network, launched in July 2021 with operations started in November 2021 with the set up of a legal entity and the arrival of its CEO, already showed its ability to accelerate its 2025 targets, with over 3.650 points of charge online and under construction as of 31 December 2023 in Southern Europe, also thanks on some M&A operation. The pipeline that was 2.700 at the end of the FY 2022 is now exceeding 4.400 sites, including a number of strategic and iconic locations secured.

Revenues and Other Income reached over €3.726k and is related to the construction of FastCharging stations, handled as an EPC turn-key contract, revenues from EV charging and contribution from CEF Transport Alternative Fuels Infrastructure (European grant program).

The €-18.199k of **EBITDA** still reflects the start-up phase of the company and its investments in terms of people, technology and tools required to build up the development platform, coherent with Atlante's ambitious targets.

During FY 2023 Atlante Group continued the development of its proprietary energy management system (leveraging on the 15 years of know-how developed by NHOA) and continued the expansion of its EV Fastcharging Network in Southern Europe, in line with the higher purpose as part of the NHOA Group to push for energy transition, also through the completion of two M&A operations, the acquisition of KLC (Portugal) and Ressolar (Italy) with their related infrastructures.

4.1.4 Corporate

Corporate GBU now includes NHOA SA, EPSM and the newborn NHOA Corporate, the Italian company that is now composed by a team of 46 people, that in October joined the company (mainly leaving NHOA Energy), with the aim to coordinate the Group, be a reliable contact for the Shareholders, grant consistency in the management of every Global Business Unit and maintain alive NHOA's DNA on technology and people development.

Functions and Roles represented in NHOA Corporate are: Group CEO Office and his Staff, Sustainability and ESG, Corporate Finance, Strategy & Investor Relation, Financial Communication & Institutional Relation, Engagement & Corporate Communication, People, Inclusiveness & Organization, Internal Audit, Info System & Cybersecurity, Legal Affairs, Governance, Ethics & Compliance, Milan's Global Engineering Center Facility and General Services. Corporate GBUs it's a cost center where its services are partially refunded from others GBU through a Management Fees and Positive Financial interests.

FY2023 **EBITDA** is €-8.705k, while **Net Income** closed at €-7.302k.

5. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5.1 Revenues and Other Income

Revenues and other incomes increased +65% respect to the FY 2022 and are split as follow:

REVENUES BY BUSINESS UNIT (amounts in K Euro)	31/12/2023	31/12/2022
NHOA Energy	204.492	153.012
Free2move eSolutions	64.453	10.680
Atlante	3.233	528
TOTAL REVENUES BY PRODUCT LINES	272.180	164.220
Other Income	1.167	1.466
TOTAL REVENUES AND OTHER INCOME (INCLUDING NON-RECURRING INCOME)	273.346	165.686

The increase is mainly driven by Energy Storage BU (+33%), and mainly comes from the two Taiwanese contracts Hoping 2 Big Battery (€87m) and SuAo 2.0 (€35m) and from the new Australian Contract Blyth (€46m) – e-Mobility BU revenues are more than 5,5 times FY2022 (+467%) – EV Fastcharging Network BU thanks also to its acquisition, reached €3.7m revenues.

REVENUES AND OTHER INCOME (INCLUDING NON RECURRING INCOME) (amounts in K Euro)	31/12/2023	31/12/2022
Construction contracts	204.694	153.044
Sales of goods	64.454	10.331
Rendering of services	3.032	844
REVENUES	272.180	164.220
Other Income	1.167	1.466
TOTAL REVENUES AND OTHER INCOME (INCLUDING NON-RECURRING INCOME)	273.346	165.686

Sales from construction contracts are related to the progress of Energy Storage projects, while Sales of goods mainly refers to the selling of charging devices through e-Mobility BU. Rendering of services refers to ancillary activities performed for both the Business units, like O&M Contracts for Storage and Installations & Charging as a service solutions for e-Mobility.

Other income are mainly related to R&D & Projects' Grants and to a penalty gained from Atlante Infra due to contractual diversions. Allocation of revenues as per single legal entity is:

REVENUES AND OTHER INCOME (INCLUDING NONRECURRING INCOME) (amounts in K Euro)	31/12/2023	31/12/2022
NHOA Energy	129.654	60.234
NHOA Australia	56.401	84.444
Free2move eSolutions US	54.410	-
NHOA Latam	11.184	5.087
Free2move Solutions	10.265	11.412
NHOA Americas	7.184	3.247
Atlante Infra Portugal	1.634	-
Atlante	1.619	646
CEN	511	555
Atlante IT	303	-
Atlante France	162	3
Atlante Iberia	7	-
Free2move eSolutions France	4	1
NHOA S.A.	4	57
Nhoa Corporate	2	-
EPS Manufacturing	-	1
TOTAL REVENUES AND OTHER INCOME (INCLUDING NON-RECURRING INCOME)	273.346	165.687

Revenues and Other income given by geographical areas, categorized as per the country of origin of the clients and the geographical area of the installation, are as follows:

REVENUES AND OTHER INCOME (INCLUDING NON-RECURRING INCOME) BY CLIENT GEOGRAPHICAL AREAS (amounts in K Euro)	31/12/2023	31/12/2022
ASIA PACIFIC	123.271	44.753
USA	61.336	3.451
AUSTRALIA	56.401	84.444
LATIN AMERICA	16.574	13.872
EUROPE	15.253	18.611
AFRICA	511	555
TOTAL REVENUES AND OTHER INCOME (INCLUDING NONRECURRING INCOME)	273.346	165.686

The amount of revenues realized by the Group in foreign currency is $218.187k and corresponds to €201.910k making up 74% of the total revenues and 88.565k AUD which equals €54.374k, 20% of the Group revenues.

5.2 Cost of Goods Sold

The Cost of Goods Sold as of 31 December 2023 is as follow:

COST OF GOODS SOLD (amounts in K Euro)	31/12/2023	31/12/2022
Costs of goods/ Rendering of services	(218.143)	(150.627)
TOTAL COST OF GOODS SOLD	(218.143)	(150.627)

Cost of Goods Sold relates to purchases of raw materials, consumables and finished products are €218.143k. NHOA Group had a significant increase of 45% in 2023, mainly related to the increase in business volumes of Energy Storage BU, with COGS growth of €35.292k (+25%); 59% of the total is related to batteries. Another relevant increase impact F2M eSolutions volumes and its related Cost of Goods Sold increased 3.8x vs FY2022 (+€30.487k for a total of €41.266k).

The table below shows details of cost of goods sold by Business Units.

COST OF SALES BY BUSINESS UNITS (amounts in K Euro)	31/12/2023	31/12/2022
NHOA Energy	(174.915)	(144.483)
Free2move eSolutions	(41.266)	(5.207)
Atlante	(1.966)	(938)
Corporate	4	-
TOTAL COST OF SALES BY BUSINESS UNITS	(218.143)	(150.627)

5.3 Personnel costs

The following table details staff costs and their evolution over the relevant financial periods:

PERSONNEL COSTS (amounts in K Euro)	31/12/2023	31/12/2022
Salaries and wages	(29.612)	(19.357)
Social contributions	(7.549)	(5.530)
Other Costs	(4.552)	(2.292)
Employee benefits service costs	(4.691)	(3.438)
TOTAL PERSONNEL COSTS	(46.404)	(30.617)

Total personnel costs increased by €15.787k, from €30.617k of FY2022 to €46.404k for FY 2023.

The increase in Salaries and wages and Social contributions is due to the increase in the number of employees. Total employees as at 31 December 2023 are 542 (including secondments) compared to 451 as at 31 December 2022.

This important hiring plan affected also Other costs (mainly related to travels), increased by €2.260k and Employee benefits increased by €1.253k compared to the same period of 2022.

5.4 Other operating expenses

The Other operating expenses amount to 23.151 k€ during the 2023.

The chart below shows Other operating expenses as of 31 December 2023 compared with previous period.

OTHER OPERATING EXPENSES (amounts in K Euro)	31/12/2023	31/12/2022
Legal and other consultancy costs	(6.057)	(4.416)
Software licenses and other IT costs*	(3.481)	(1.963)
Communication*	(2.781)	(2.104)
Miscellaneous*	(2.168)	(633)
Rents	(1.239)	(637)
Insurance	(1.108)	(404)
Not capitalized R&D costs	(1.011)	(4.249)
Maintenance	(926)	(460)
Customer Care*	(888)	(341)
Audit services	(751)	(393)
Safety	(655)	(425)
Tax and administrative services	(567)	(447)
People development*	(357)	(103)
Board compensation	(335)	(339)
Bank commissions	(248)	(177)
Royalty	(201)	-
Travel	(165)	(178)
Indirect taxes	(116)	(37)
Other audit costs	(99)	(78)
TOTAL OTHER OPERATING EXPENSES	(23.151)	(17.383)

(*) Some of the amounts shown in the column do not coincide with the amounts reported for FY 2022 Consolidated Financial Statements, as they reflect certain reclassifications to improve the presentation of the financial statements (in particular, "Customer Care" was reclassified from the item "Communication" to the item "Customer Care", "other IT costs" was reclassified from the item Miscellaneous to the item "Software licenses and othe IT costs", "People development" was reclassified from the item "Miscellaneous" to the item "People development").

The increase in Other Operating Expenses is mainly due to the growth of the NHOA perimeter, necessary to support the contextual growth of the business of every Business Unit.

Companies established in 2022 with not material operation during last year 2022 or established in 2023, that now impact on Other Operating expenses of the Group, like NHOA LATAM, NHOA Taiwan, Atlante Infra Portugal, Atlante Portugal, Atlante Italia, Free2Move eSolutions US, Free2Move eSolutions France and NHOA Corporate, generate a difference vs last year that amount €1,7m.

Other companies, like the main ones of the EV Fastcharging Network BU Atlante, Atlante France and Atlante Iberia were already existing in 2022, but their structure were not mature and still in a start-up phase for these 3 companies, now at full cycle, the increase in this item is €2,6m and it is mainly related to Business and Legal Consultancies, Communication, Marketing & Events, ICT Services and Recruiting activities. This is also the case for the Energy Storage BU's companies NHOA Australia and NHOA Americas, already established in the past but now at full cycle (increase of €1,1m).

Other main deviation due to the enlargement of the perimeter comes from the growth of the costs for the comparables companies NHOA SA and NHOA Energy, also considering NHOA Corporate as a comparable, since in 2022 its functions were existing but still under NHOA Energy (cumulated -€3,1m) more than offset from Free2move eSolutions positive impact vs FY2022 (+€3,3m) due to R&D activities not capitalized that affected FY2023.

5.5 EBITDA (excluding Stock Option and Incentive Plans) (non-IFRS)

2023 Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") is a non-IFRS defined metrics which excludes non-recurring income-expenses and the accounting impact of stock options. EBITDA improved consistently vs FY2022, NHOA Energy BU confirmed its positive profitability reaching €7.481k, Free2move eSolutions BU reached Breakeven point at EBITDA level for the first time, with an impressive performance of US Subsidiary that strongly contribute to this success, with a cumulated EBITDA that exceeds €5.000k. Corporate expenses are more than covered from NHOA Energy and F2M eSolutions positive results, with a cumulated EBITDA excluding Atlante of €3.847k. Atlante and all its BU is still positioning in the market, working hard to reach its ambition, and it is not currently contributing to the profitability of the company, closing FY2023 with an EBITDA of-€18.199k.

As highlighted in chapter 4, main contributors to EBITDA is currently the Energy Storage BU, while EV Fastcharging Network BU can be still considered as a pure cost from a Group's P&L point of view. e-Mobility BU successfully achieved its objective of Backlog conversion on US market; expectations and market response were positive as the procurement strategy was, allowing the company to close the year with a positive result.

5.6 Amortization and depreciation

Total amortization and depreciation increased significantly compared to 2022, by €4.119k, from €7.022k for the previous year to €11.141k (+59%) in the 2023.

AMORTIZATION AND DEPRECIATION (amounts in K Euro)	31/12/2023	31/12/2022
Amortization	(5.649)	(4.510)
Depreciation	(5.492)	(2.512)
TOTAL AMORTIZATION AND DEPRECIATION	(11.141)	(7.022)

5.7 Impairment and write up / down

In the year 2023, the item amounts to €1.710k, which is related mainly to bad debt provision, amounting to €774k which was recognized against specific risk positions that were assessed as difficult to recover in the sale of goods, mainly easyWallbox as well as provision for warranties and inventories.

IMPAIRMENT AND WRITE DOWN (amounts in K Euro)	31/12/2023	31/12/2022
Bad debt provision	(774)	-
Provision for warranties	(510)	-
Inventories write up / down	(479)	(420)
Impairment on non current assets	(266)	(2.867)
Future completion cost on project	-	(2.689)
Other write-down	320	-
TOTAL IMPAIRMENT AND WRITE DOWN	(1.710)	(5.977)

5.8 Non recurring expenses and Integration costs

NON RECURRING EXPENSES AND INTEGRATION COSTS (amounts in K Euro)	31/12/2023	31/12/2022
Non recurring market/financial opportunity research	(2.089)	(80)
Non recurring Legal Accounting Certification & Processes	(826)	(324)
Other	(496)	(338)
M&A costs	(489)	(290)
Non Recurring Provision of Personnel	(428)	(672)
Non recurring Travel, Communication and Roadshow expenses	(161)	(56)
Donations	-	(103)
Non recurring expenses for R&D activities	-	(916)
Non recurring IT Migration & Security Measures	-	(49)
TOTAL NON RECURRING EXPENSES	(4.489)	(2.828)

This item includes expenses considered as non-recurring, such as those which are mainly related to specific phases of company growth and the setting up of accounting, administration and business development departments. These operating expenses cannot be qualified as exceptional or extraordinary, but still they are linked to unusual and infrequent elements, for significant amounts, therefore they are presented by NHOA on a separate line, in order to facilitate the understanding of the current operating activity. Compared to FY2022, this item increased by €1.661k, from €2.829k to €4.489k. The increase is mainly related to the activities related to the EV Fastcharging Network BU, mainly due to consultancies for M&A activities and for obtaining financing from CEF Transport Alternative Fuels Infrastructure (European grant program).

The Group, due to the creation of the NHOA Corporate, decided to perform a deep analysis on processes with the aim to regulate its interaction with other BUs and ensure a Governance consistent with the new dimension and complexity of the Group. At the same time, process analysis have been activated internally from Atlante and F2M eSolutions BUs, to map and make their processes more efficient. Establishment costs for new companies and personnel related costs for risk provision and non-compete fees complete this section.

As mentioned above, these costs are not representative of the Group's ordinary activity although they may have occurred in the past year and they are likely to occur again in future years.

5.9 Incentive Plans

The line refers mainly to the accrual of Incentive Plans for management related to:

- a long term retention plan for an amount equal to €433k;

The Long Term Retention Plan is the payment of:

 - €300k retention bonus to be paid at the end of 2023 if Mr Artizzu, Board Member of the Company, is still within the Company at that date. This amount was paid in January 2024.
 - €1.000k retention bonus to be paid at the end of 2023 if Mr. Carlalberto Guglielminotti, Chief Executive Officer of the Company, is still within the Company at that date. This amount was paid in January 2024.

- a short term incentive for an amount equal to €639k;
- the implementation of a performance share plan.

The Board of Directors, on the basis of the recommendations of the Compensation and Nomination Committee, decided on 28th July 2022 to set up a Performance Shares Plan in accordance with the 28th resolution approved at the shareholders' meeting dated June 23rd, 2022. The delivery of these Shares will take place at the end of the Vesting Period and will be subject to compliance with the achievement of the Performance Conditions.

The estimated global cost is €5.465k and will be spread over the duration of the plan until July 2024. As of the income statement, the expense for the end year amounts to €2.671k, booked within each of the subsidiaries (in which employees have been granted shares).

On July 28, 2022, the Board of Directors granted bonus shares with the following characteristics

as follows:

Authorization		Maximum authorized number	
AGM of 23/06/2022		669 250	
Grant Date	Financial Year	Total Granted	Total vested over 2022
28/07/2022	28/07/2022-28/07/2024	542 200	-

- Number of shares granted (existing or to be issued to date): 536.200

- Value of the share at the date of grant (according to the stock market price): €10,08

- Vesting period, including presence and performance conditions: 2 years

On 15 June 2023, the shareholders authorized the Board of Directors to proceed with, for the benefit of the employees and the executive officers of the Company or its subsidiaries under the conditions set out in Article L.225-197-2 of the French Commercial Code, or for the benefit of some of them, free allocations of up to a maximum of 638.343 common shares, existing or tu be issued, with a nomunal value of 0,20 each.

At 31 December 2023, the performance conditions required for the allocation of free shares had been met to the extent of 38% for key talents. The Group's management will prepare a revision of the plan to enable 100% of the performance conditions to be met. For 2023, the expense takes into account this revision for a total amount of €2.671k.

5.10 EBIT

In 2023 Earnings Before Interest and Taxes ("EBIT") is €-35.401k compared with €-50.364k of the financial year 2022.

5.11 Net Financial Income and expenses

The item includes interests and charges on bank accounts and other financing, exchange rate differences on extra EU trades.

NET FINANCIAL INCOME AND EXPENSES (amounts in K Euro)	31/12/2023	31/12/2022
Financial interest	(5.560)	(1.439)
Net exchange differences	(696)	(1.781)
Financial interest related to IFRS 16	(329)	(170)
Financial expenses	-	(462)
Financial income	563	-
TOTAL NET FINANCIAL INCOME AND EXPENSES	(6.023)	(3.851)

Net financial interests linked to the credit lines in place amount to €-5.560k for the FY2023 compared to €-1.439k for the 2022. Financial interests in the 2023 include mainly interest on financial loan of €-5.624k, interest on bonds and guarantees of €-1.853k and interest income on operating /deposit bank account of €2.402k.

The rise in financial interests is indicative of the growing number of projects that NHOA is undertaking.

During 2023, the Net exchange differences worth €-696k compared to €-1.781k for the 2022. Transactions in foreign currencies mainly concerned NHOA Energy's activities in US and Australian dollars.

Financial income relates to NHOA's cash investments in government bonds.

5.12 Income taxes

During 2023, income tax amounted €-4.647k, compared to €-1.971k for the 2022. The increase is mainly related to the amazing result registered by the e-Mobility BU in US.

TAXES (amounts in K Euro)	31/12/2203	31/12/2022
Current taxes		
Corporate income tax	(4.032)	(472)
IRAP	(4)	(118)
Other income taxes	(709)	2.561
Deferred taxes		
Corporate income tax	98	-
TOTAL INCOME TAXES	(4.647)	1.971

5.13 Net income or loss

In the 2023, the net loss amounts to €46.071k. As of 2023, basic earnings per share is a loss equal to €0,39.

5.14 Property, plant and equipment

Property, plant and equipment in 2023 is equal to €121.912k, with an increase of €69.844k from €52.068k as of 31 December 2022. This is due to the difference between the investments done and amortization cost accounted during the period.

The following table describes tangible assets by Legal Entity:

TANGIBLE ASSETS (amounts in K Euro)	31/12/2023	31/12/2022
Atlante Italia	35.566	-
Atlante France	28.782	1.634
Free2Move eSolutions	17.889	13.051
Nhoa Corporate	14.108	-
Atlante INFRA	7.356	-
CEN	4.904	5.182
NHOA Energy	4.603	18.006
Atlante IB	4.254	808
Purchase Price Allocation (PPA)	3.946	(2)
Atlante	360	13.383
Atlante Fast Charging PT	82	-
NHOA Americas	25	5
NHOA Australia	22	-
NHOA Taiwan	14	-
TOTAL TANGIBLE ASSETS	121.912	52.068

On 28th June 2023, the shareholders' meeting of NHOA Energy approved the partial demerger of the company, by assignment of part of a branch of the company made up of personnel and assets to the beneficiary company, NHOA Corporate. On 10th October 2023, the demerger was completed, following the opposition period granted to the creditors in accordance with Article 2503, as recalled by Article 2506-ter of the Italian Civil Code. Therefore, the personnel and the assets of NHOA Energy, as included in the branch, were transferred to NHOA Corporate. NHOA Corporate's tangible assets mainly include the two floor at the headquarters in Piazzale Lodi, Milan transferred from Nhoa Energy which treated as a right of use asset under IFRS16.

Nhoa Energy's tangible assets mainly include industrial faciliites in Cosio Valtellino which treated as a right of use asset under IFRS 16.

CEN's tangible assets include a hybrid PV - ESS system plant located in the islands of Anjouan and Mohéli (Comoros Islands).

Tangible assets of Free2move eSolutions are made of mainly the V2G Drossone plant, its headquarters in Turin, investments in electric charging columns and not separable investments in buildings and right of use asset under IFRS 16 (R&D centre and lab for testing in Bovisa, Milan, Mirafiori office in Turin, inhouse manufacture at the Mirafiori plant in Turin and cars). The V2G Drossone plant at Mirafiori has a technology that enables vehicles to exchange energy with the power grid. Bidirectional technology – which both charges the car and returns power to the grid – can only work efficiently when the car and the charging network speak a common language. This V2G project will be extended to interconnect up to 700 Fastcharging Points of Charge using an updated technology.

Right after its constitution Atlante Group started to invest in its core business, construction of electric charging stations, by creating 1.147 sites online and under construction. Atlante Group, at the year end, counted already more than 3.650 points of charge online and under construction and a pipeline of new sites of over 4.400. Moreover, thanks to the recent acquisition in Italy, Atlante can now count on an even more capillary-spread network, reaching the most strategic areas of Southern Europe.

Atlante INFRA and Atlante IT have been acquired during the first semester of 2023.

The new entry of tangible assets in Atlante INFRA is due to acquisition of KLC in Portugal. KLC owns and operates of one of the largest networks of EV charging stations in Portugal, in particular for fastcharging, this acquisition will support the positioning of Atlante as a leading player in Iberia and take the company one step closer towards its ambition to become the largest fast and ultra-fast charging network in Southern Europe.

The new entry of tangible assets in Atlante IT is due to the acquisition of Atlante Italia (ex Ressolar) has been completed by Atlante on 29.05.2023. This acquisition provides Atlante with additional charging points located in Lombardy, Veneto and Emilia Romagna, near the vital A4 highway, connecting Turin to Venice, a key logistics route in Northern Italy. This expansion represents a significant milestone for e-mobility in these regions, as Atlante aims to convert the acquired network into fast and ultra-fast charging, further advancing the development of its network.

On October 26th, 2023, the business going concern of Atlante dedicated to e-mobility business in Italy, including the relevant personnel, assets and contracts (the "e-mobility Business") was conferred to Atlante Italia. The operation was part of a broader corporate reorganization of Atlante, aimed at rationalizing the corporate structure, on the one hand, maintaining and developing at the global level new transversal activities and projects relating to digital and technological platforms and/or projects involving the various countries in which the company operates and, on the other hand, transferring the e-Mobility Business to Atlante Italia S.r.l. as operative company carrying out this business in the Italian territory, in line with France, Portugal and Spain.

The tangible assets identified as part of PPA process relate to the Atlante INFRA contracts, contracts that capture the contractual customer relationships with the supermarket chain to operate its current portfolio of chargers and install an agreed number of chargers in identified locations, under a revenue sharing agreement and other contracts relate to revenue sharing contracts with different public and private entities, that cover chargers installed and the signed development backlog.

The evolution of Tangible Assets between 2022 year-end and 2023 by asset category is described in the next table:

PROPERTY, PLANT AND EQUIPMENT (amounts in K Euro)	Buildings/ Land	Plant, machinery and te chnical equipement	Office and IT e quipment	Right-of-use assets	Tangible assets in progress	Other tangible assets	Total
Book Value							
At 31 December 2022	1.023	10.422	2.263	19.431	24.363	113	57.615
Additions	1.656	30.359	583	4.367	33.969	10	70.945
Assets acquired following a perimeter change		4.250			971		5.221
Reclass		5.644			(5.644)		0
Adjustments and Disposals	(3)	-	(210)	(198)	-	-	(411)
At 31 December 2023	2.676	50.675	2.635	23.600	53.660	122	133.369
Depreciation and Impairment							
At 31 December 2022	(707)	(1.290)	(1.140)	(2.388)	-	(23)	(5.547)
Accumulated depreciation resulting from perimeter change		(450)			-		(450)
Depreciation and Impairment	(24)	(2.821)	(358)	(2.262)	-	(25)	(5.491)
Adjustments and Disposals	-	10	8	12		-	31
At 31 December 2023	(731)	(4.551)	(1.490)	(4.638)	-	(48)	(11.457)
Net Book Value							
At 31 December 2022	316	9.132	1.123	17.043	24.363	90	52.068
At 31 December 2023	1.945	46.124	1.146	18.963	53.660	75	121.912

5.15 Intangible Assets

Intangible assets in 2023 amount to €34.708k, compared with €15.418k as at 31 December 2022.

The following table illustrates the distribution of Intangible Assets among the Legal Entities of the Group:

INTANGIBLE ASSETS (amounts in K Euro)	31/12/2023	31/12/2022
NHOA Energy	11.250	8.465
Purchase Price Allocation (PPA)	10.139	1.569
Free2Move eSolutions	7.524	4.202
Atlante	2.624	522
Atlante INFRA	1.988	7
NHOA SA	730	632
Atlante Italia	329	-
Nhoa Corporate	108	-
Atlante FR	9	14
Atlante IB	5	-
EPS Manufacturing	2	7
TOTAL INTANGIBLE ASSETS	34.708	15.418

The evolution of Intangible Assets between 2022 year-end and 2023 by asset category is described in the table below:

INTANGIBLE ASSETS (amounts in K Euro)	Patent and Licenses with definite useful life	Software and website	Development costs	Other intangible assets	Goodwill	Total
Book Value						
At 31 December 2022	1.350	3.616	23.031	1.463	1.569	31.028
Assets acquired following a perimeter change	-	1	-	2.455	-	2.456
Additions	295	2.385	11.345	498	8.530	23.053
Adjustments and Disposals	(19)	(58)	-	-	-	(77)
At 31 December 2023	1.627	5.944	34.376	4.416	10.099	56.461
Depreciation and Impairment						
At 31 December 2022	(905)	(1.519)	(12.186)	(1.000)	-	(15.610)
Assets acquired following a perimeter change	-	-	-	(229)	-	(229)
Amortisation and Impairment	(176)	(921)	(4.571)	(245)		(5.913)
At 31 December 2023	(1.081)	(2.440)	(16.757)	(1.474)	-	(21.753)
Net Book Value						
At 31 December 2022	445	2.097	10.844	463	1.569	15.418
At 31 December 2023	546	3.503	17.618	2.942	10.099	34.708

The increase in development costs for €11.345k is mainly due to:

- €2.185k (related to e-Mobility BU) invested in Charging Platform project which aims to manage the infrastructure charging network, in particular our own charging stations produced by the e-Mobility BU.
- €1.898k (related to Energy Storage BU) invested in Control & monitoring projects to develop the digital platform that enables, on one side, the real-time management through a closed loop control of the BESS and, on the other, the meticulous monitoring and analysis of data gathered from the field, enabling predictive maintenance and ensuring flawless operation.
- €1.636k (related to Energy Storage BU) invested in Power Conversion Technology projects to innovate the Power Conversion System platform with new products for utility scale storage with enhanced capabilities such as greater overload control and an improved short-circuit current contribution.
- €1.274k (related to Energy Storage BU) invested in Store Technology projects to develop:
  - a new Second-life-battery based product to exploit EV battery avoiding any rework activities of the pack;
  - an innovative standardized outdoor cubicle to optimize installation on site through a module-integrated solution.
- €1.259k (related to e-Mobility BU) invested in Commercial Platform project which aims to manage all the platform needed for commercial purposes (e-commerce, billing and invoicing management system, partner community for the dealers).
- €1.032k (related to e-Mobility BU) invested in the development of the family of "wallbox" products - such as ePro: that it is a flexible AC charging system operating up to 22 kW in three-phase configuration. It is compatible with most of the back-end platforms available on the market.
- €679k (related to Energy Storage BU) invested in System integration projects to develop the Power Island engineering that encompasses the design of standardized integrated BESS solutions.
- €290k (related to e-Mobility BU) invested in eproWallbox "Luxury" development which aims at adding to F2MeS portfolio an A-class finish product for the European (CE) market, targeting at luxury and premium

customers, starting from STLA brands. The project is developed upon a concrete business opportunity with Maserati.

- €272k (related to EV Fastcharging Network BU) invested in Engineering Design which aims to develop a grid connection rule applicable to MVSS (Medium Voltage Sub Station).
- €142k (related to e-Mobility BU) invested in EVSE Control platform, investments done to integrate EVSE (electric vehicle supply equipment)"core" control features, reducing the dependency from the suppliers and boosting time-to-market and quality control of released features.

The internal development costs are €5.492k.

The increase in Goodwill of €8.530k recognized in intangible assets is related to the acquisition of Atlante Italia and Atlante Infra Portugal, which could not be allocated as part of the PPA process in accordance with IFRS 3.

5.16 Other non-current financial assets

The amount of €16.753k mainly consists of:

- €9.044k of pledge deposits for Atlante requisite to obtain financial loan from Intesa as requisite for European co-funding program CEF (Connecting Europe Facility) Alternative Fuels;
- €3.843k of as cash collateral to guarantee securities on projects in execution, namely the engineering, procurement, construction, testing, commissioning of a 100MW/200MWh battery storage facility to be located at the Kwinana Power Station in Western Australia with Synergy;
- €3.075k of as cash collateral to guarantee securities on projects in execution. These projects involve the engineering, procurement, construction, testing, and commissioning of a 39 MW/55 MWh and a 28 MW/56 MWh battery storage facility. These facilities will be located in Loudwater and Basildon, England, respectively.
- €791k of refundable deposit as a guarantee to the signed contracts;

5.17 Trade receivables

Total trade receivables in 2023 amount to €51.393k, compared with €28.487k as at 31 December 2022. The increase of €22.906k is a natural consequence of business expansion in the United States of e-Mobility BU.

TRADE AND OTHER RECEIVABLES (amounts in K Euro)	31/12/2023	31/12/2022
Trade and other receivables	52.385	28.705
Bad debt provision	(992)	(218)
TOTAL TRADE AND OTHER RECEIVABLES	51.393	28.487

The increase in bad debt provision of 774 k€ was recognised against specific risk positions that were assessed as difficult to recover in the sale of goods, mainly easyWallbox.

The table below provides the analysis of Trade and other receivables aging as of 31 December 2023.

AGING ANALYSIS OF TRADE AND OTHER RECEIVABLES (amounts in K Euro)	TOTAL	NEITHER PAST DUE NOR IMPAIRED	<30 DAYS	30-60 DAYS	61-90 DAYS	91-120 DAYS	>120 DAYS
2023	51.393	29.925	13.297	1.153	887	944	5.188
2022	28.487	24.324	494	1.732	225	35	1.676

All trade receivables which involve a reasonable risk of non-collection have been provisioned during the period.

5.18 Contract Assets

Total contract asset changed from €16.770k at 31 December 2022 to €6.512k as at 31st December 2023.

As of 31st December 2023, the contract assets amount to €6.512k related to:

- **Fru Nera**: : 25 MW of Fast Reserve Unit to be located at the site of Nera Montoro at Terni.
- **TCC HOP 1 Phase 2**: supply of a battery storage system of 7.2 MVA/22.3 MWh for phase 2 of Hoping Plant, Taiwan.
- **TCC BESS HOPING Project**: Supply of a 10.8 MVA / 10.5 MWh Battery Energy Storage System ("BESS") and one charging station for Electrical Vehicles ("EVCS") to be located within TCC manufacturing plant in Heping.
- **TCC YINGDE**: Supply of a 35 MW / 107.4 MWh Battery Energy Storage System ("BESS") to be located within TCC facility in SuAo, Taiwan.
- **TCC HEPING:** Supply of a 115.2 MVA / 311.4 MWh Battery Energy Storage System ("BESS") to be located within TCC manufacturing plant in HePing.**TCC SUAO 2.0:** Supply of a 43.2 MVA / 123.6 MWh Battery Energy Storage System ("BESS") to be located within TCC at its facility in SuAo, Taiwan.
- **INKIA**: Supply of a 36 MWh Battery Energy Storage System ("BESS") to be located Lima, Peru, designed to enhance the flexibility of a thermal power plant in the context of rising renewables penetration.
- **MLP KEARSARGE 3:** scope of the project is the engineering, procurement and commissioning of 12 MVA BESS for Massachusetts Municipal Lighting & Power (MA MLP).
- **Wally**: The scope of the project is to rework the forklift fleet operating in the Walmart distribution center, located in Quilicura, Santiago del Chile. Reworking on forklifts, performed by third party, replacing the combustion engine with an electrical-one and substitute the battery bank with Fuel Cell.

As of 31 December 2022, the contract assets amount to €16.770k related to:

- **Synergy Project**: the construction of a 100MW/200MWh battery storage facility to be located at the Kwinana Power Station in Western Australia for the customer Synergy.
- **TCC BESS HOPING Project**: Supply of a 10.8 MVA / 10.5 MWh Battery Energy Storage System ("BESS") and one charging station for Electrical Vehicles ("EVCS") to be located within TCC manufacturing plant in Heping.
- **Yingde**: Supply of a 35 MW / 107.4 MWh Battery Energy Storage System ("BESS") to be located at its facility in SuAo, Taiwan.
- **Liffou 2:** NHOA was selected as Contractor for the engineering, procurement and commissioning of an addition of 10.20 MWh of Samsung SDI E4L batteries, to be connected to the PowerHouse Containers already installed on site in Lifou Island, New Caledonia.
- **Fru Salemi:** 12.5 MW of Fast Reserve Unit to be located at the site of Salemi at Trapani.

- **Fru Nera:** 25 MW of Fast Reserve Unit to be located at the site of Nera Montoro at Terni.
- **Chilca:** NHOA has been selected as Contractor for the engineering, procurement and construction of a Battery Energy Storage System BESS project at Chilca Uno Combined Cycle Power Plant in Peru using Power Electronics' outdoor PCSM,integrated with MV transformer and CATL 1C outdoor battery racks.
- **Kearsarge**: NHOA has been as Contractor for the engineering, procurement and commissioning of a BESS at two different site (Beverly and Kingston), using NHOA EnergyHouses and Samsung SDI E4L batteries.

5.19 Inventories

As of 31 December 2023, the inventory amounts to €18.642k compared to €18.099k at the end of 2022.

INVENTORIES (amounts in K Euro)	31/12/2023	31/12/2022
Raw materials		
Gross value	4.225	6.149
Obsolescence provision	(686)	(450)
Raw materials net book value	3.539	5.699
Work in progress		
Gross value	375	1.312
Work in progress net book value	375	1.312
Finished goods		
Gross value	14.943	11.089
Obsolescence provision	(215)	-
Finished goods net book value	14.728	11.089
Total inventories		
Gross value	19.543	18.549
Obsolescence provision	(901)	(450)
Total inventories net book value	18.642	18.099

5.20 Other current assets and other current financial assets

OTHER CURRENT ASSETS AND OTHER CURRENT FINANCIAL ASSETS (amounts in K Euro)	31/12/2023	31/12/2022
VAT receivables	23.489	12.874
Advances to suppliers	16.166	10.308
Prepaid expenses	3.995	3.615
Other receivables	1.943	8
Other tax assets	1.347	2.633
Tax asset "Industria 4.0"	631	287
Deferred tax asset	28	28
TOTAL OTHER CURRENT ASSETS	47.599	29.753
Other current financial assets	19.587	4.032
Liquidity investments	10.016	9.763
Receivables due from FCA Italy S.p.A	-	4.700
TOTAL OTHER CURRENT FINANCIAL ASSETS	29.603	18.495
TOTAL OTHER CURRENT ASSETS AND OTHER CURRENT FINANCIAL ASSETS	77.201	48.248

The increase in Other current assets in 2023 compared to year-end 2022, amounting to €17.846k is mainly due to the increase in advance paid to the suppliers (€5.859k) related to the expansion of EV Fastcharging Network BU and F2MeS US for the acquisition of **Wallbox** and in VAT receivables (€10.615k).

Other current financial assets are mainly related to:

- €18.600k of as cash collateral to guarantee securities on projects in execution.
- €10.016k Liquditity investments: NHOA aims to have a diversified portfolio by investing cash in government bonds;

5.21 Cash and cash equivalent

Cash at banks and petty cash represent the amount held on bank balances both in Euro and in other currencies and cash deposits at leading credit institutions. The cash liquidity is mainly held in Euro currency.

The amount of cash and cash equivalent in 2023 is €238.901k, compared to €47.386k at the end of 2022.

The remarkable improvement of the Cash Position is due to the successful completion of €249.663.040 capital increase with shareholders' preferential subscription rights. The Rights Issue was conducted by Deutsche Bank acting as Sole Global Coordinator and Joint Bookrunner together with Société Générale acting as Co-Global Coordinator and Joint Bookrunner.

5.22 Net Equity

NET EQUITY (amounts in K Euro)	31/12/2023	31/12/2022
Issued capital	55.039	5.107
Share premium	376.994	180.589
Other reserves	2.621	104
Stock Option and Warrants plan reserve	4.969	4.969
Retained earnings	(133.876)	(93.843)
Profit (Loss) for the period	(42.463)	(38.577)
TOTAL GROUP EQUITY	263.284	58.349
Minority interest	2.142	5.749
TOTAL EQUITY	265.426	64.098

Equity at the end of December 2023 is €265.426k while was €64.098k on 31 December 2022. The improvement in equity is mainly due to the success of the capital increase with shareholders' preferential subscription rights of €249.663.040 announced on 15 September 2023. The process concluded with the issuance of 249.663.040 new shares at a price of €1.00 per share. Following the settlement delivery of the Rights Issue, the share capital of the Company amounts to €55.039.352 divided in 275.196.760 shares of €0,20 nominal value each.

The total number of shares at the end of period is 275.196.760, as illustrated in the table below:

NUMBER OF SHARES	31/12/2023
Beginning of the period	25.533.720
Net Rights Issue	249.663.040
End of period	275.196.760

5.23 Severance indemnity reserve and Employees' incentive plan

The Italian Severance indemnity (TFR), calculated in accordance with IAS 19, at the end of 2023 amounts to €2.218k, while it was €2.635k at the end of 2022. The decrease of €417k is due to the transfer of long term incentive to payables to employees as the conditions to be paid have been met.

POST EMPLOYMENT BENEFIT (amounts in K Euro)	31/12/2023	31/12/2022
Past Service Liability (at the end of the year)	2.218	1.769
Long term incentive	-	866
Total Share Premium	2.218	2.635

The Italian Severance indemnity (TFR) in 2023 amounts to €2.218k, while it was €1.769k at the end of 2022.

POST EMPLOYMENT BENEFIT - TFR (amounts in K Euro)	31/12/2023	31/12/2022
Past Service Liability (at the beginning of the year)	1.769	1.774
Current Service Cost	556	482
Interest Expense	58	23
Actuarial (Gains)/Losses recognised	130	(439)
Payments	(295)	(72)
Total	2.218	1.769

Key assumptions

The following assumptions have been considered in performing the actuarial calculation:

- the probability of death has been estimated according to the table RG48 of the "Ragioneria Generale dello Stato";
- the retirement age has been estimated considering the minimum requirements set by Italian laws;
- the percentage of leave for reasons different from death and retirement has been estimated on an average annual basis equal to 2,95% for NHOA Energy and Nhoa Corporate 3,41% for F2M eSolutions, 2,67% for Atlante Italia and 2,73% for Atlante;
- the probability of advance payments has been fixed to 3% per year.

FINANCIAL ASSUMPTIONS	31/12/2023	31/12/2022
Annual technical discount rate		
Nhoa Energy	4.08%	3,61%
Free2Move eSolutions	4.11%	3,63%
Atlante	4.13%	3,63%
Atlante Italia	4.16%	-
Nhoa Corporate	4.10%	-
Annual inflation rate	2,50%	2,70%
Total annual growth in salaries and wager	2,00%	2,00%
Maximum % of TFR anticipation	70,00%	70,00%

The Table below reports the number of total NHOA Group employees (including secondments to NHOA):

Headcount by function	31/12/2023	31/12/2022
Staff	142	107
Business Operation	45	47
R&D	74	61
Proposal Engineering	68	51
System Engineering	59	50
Manufacturing	46	44
Execution & PMO	105	90
Cybersecurity	3	1
Total	542	451

Distribution of employees by gender Percentage calculated based on active permanent Employees	31/12/2023	31/12/2022
Men	67%	66%
Women	33%	34%

Employees by age group	Distribution
Less than age 21	0,2%
21 to 30 years	63,5%
31 to 40 years	12,9%
41 to 50 years	17,7%
51 to 60 years	5,4%
More than age 60	0,4%

The Long-Term Retention Plan was transfered to payables to employees as the conditions to be paid have been met:

- €300k retention bonus to be paid at the end of 2023 if Mr Artizzu, Board Member of the Company, is still within the Company at that date. This amount was paid in January 2024.
- €1.000k retention bonus to be paid at the end of 2023 if Mr. Carlalberto Guglielminotti, Chief Executive Officer of the Company, is still within the Company at that date. This amount was paid in January 2024.
- As of 31 December 2023, retention plan is accrued for an amount of €433k.

5.24 Non-current deferred tax liabilities

Non-current deferred tax liabilities for €921k in 2023 (€16k for 31 December 2022) include deferred taxes liabilities on assets recorded for NHOA Energy Purchase Price Allocation and Atlante INFRA Purchase Price Allocation.

5.25 Trade payables

The item refers to invoices for goods, services and utilities received by suppliers during the year, and it amounts to €54.562k compared to €61.920k in 2022 year end.

TRADE PAYABLES (amounts in K Euro)	31/12/2023	31/12/2022
Trade payables	24.517	37.655
Invoices to be received	30.046	24.265
TOTAL TRADE PAYABLES	54.562	61.920

The table below provides the analysis of Trade payables aging as at 31 December 2023.

AGING ANALYSIS OF TRADE PAYABLES (amounts in K Euro)	TOTAL	NEITHER PAST DUE NOR IMPAIRED	<30 DAYS	30-60 DAYS	61-90 DAYS	91-120 DAYS	>120 DAYS
2023	54,562	36,536	5,696	1,602	1,012	771	8,945
2022	61,920	41,376	1,038	3,584	1,153	800	13,969

5.26 Other Current and Non Current Liabilities

Other non current liabilities amount to €29.057k and was €15.867k as at 31 December 2022. The amount is related to the long term portion of the lease liability booked under the IFRS 16 and the grant awarded by the European Union under the CEF-AFIF scheme.

Other current liabilities at the end of 2023 are €59.678k (33.126 k€ for 31 December 2022).

OTHER LIABILITIES (amounts in K Euro)	31/12/2023	31/12/2022
Lease liabilities	17.243	15.547
Debt CEF	11.140	-
Provision for onerous contract - non current	674	320
Total other non-current liabilities	29.057	15.867
Deferred income	25.863	5.063
Advances from client	10.650	15.240
Employee wages and salaries	10.322	6.134
Corporate income tax	4.177	441
Other liabilities	3.698	1.072
Withholding taxes and social contributions	3.387	2.611
Provision for onerous contract - current	1.150	2.548
Short Term Incentives	250	-
VAT payables	172	15
Debt CEF	10	-
Total other current liabilities	59.678	33.124
TOTAL OTHER LIABILITIES	88.736	48.991

- Advance from clients amounts to €10.650k against €15.240k as at 31 December 2022. The amount includes advance payments that will generate economic benefits in future periods, mainly referred to projects within Energy Storage BU mainly in Italy, South Australia and the United Kingdom.
- Deferred income amounts to €25.863k against €5.063k as at 31 December 2022. The increase is mainly due to the recognition in revenues of the deferred income that will generate economic benefits in future periods, mainly referred to projects within e-Mobility BU in the United States for the sale of Wallbox.
- Employees' wages and salaries amount to €10.322k against €6.134k as at 31 December 2022, which has increased because of a higher headcount and retention bonus to be paid. That amount includes vacation and MBO provisions.
- The item Withholding taxes and social contributions refers to the accruals for deferred social charges to be paid for deferred employee benefits.

5.27 Financial liabilities

Financial liabilities at the end of 2023 are €154.207k, with an increase of €92.189k compared with 2022. The amount is detailed as follows:

Financial liabilities as of 31/12/2023 (amounts in K Euro)	Current liability	Non-current liability	Total
ST credit line – Societe Generale to NHOA SA	32.500	-	32.500
ST credit line - Citibank to NHOA SA	18.000	-	18.000
ST credit line - Standard Chartered to NHOA SA	25.000	-	25.000
ST loan - TCEH to NHOA SA	16.066	-	16.066
ST loan - TCEH to NHOA ENERGY SRL	10.040	-	10.040
ST loan - TCEH to ATLANTE SRL	15.118	-	15.118
ST loan - FCA Italy to F2MeS	25.423	-	25.423
MLT credit line - Intesa to ATLANTE SRL	-	3.926	3.926
MLT credit line - Banco Comercial Português to ATLANTE INFRA	165	73	239
MLT credit line - Milennium BCP to ATLANTE INFRA	149	378	527
MLT credit line - Milennium BCP to ATLANTE INFRA	161	702	863
MLT credit line - Caixa Geral de Depositos to ATLANTE INFRA	30	50	80
MLT credit line - Caixa Geral de Depositos to ATLANTE INFRA	10	17	27
MLT credit line - Caixa Económica Montepio Geral to ATLANTE INFRA	273	977	1.250
Atlante Infra PT Put Option	5.149	-	5.149
TOTAL FINANCIAL LIABILITIES	148.085	6.123	154.207

Variation on each item between 31 December 2022 and 31 December 2023 are detailed as follows:

Financial liabilities as of 31/12/2023 (amounts in k Euro)	Short Term 2022	Long Term 2022	Changes in consolidation perimeter ST	Changes in consolidation perimeter LT	Cash in	Cash out	Fair Value adjustment	Accrued interests	Short Term H1 2023	Long Term H1 2023	TOTAL
ST loan – Societe Generale to NHOA SA	32.474	-	-	-	32.500	(32.500)	26	-	32.500	-	32.500
ST loan - Citibank to NHOA SA	18.000	-	-	-	-	-	-	-	18.000	-	18.000
ST loan - Standard Chartered to NHOA SA	-	-	-	-	25.000	-	-	-	25.000	-	25.000
ST loan - TCEH to NHOA SA	-	-	-	-	16.000	-	-	66	16.066	-	16.066
ST loan - TCEH to NHOA ENERGY SRL	-	-	-	-	10.000	-	-	40	10.040	-	10.040
ST loan - TCEH to ATLANTE SRL	-	-	-	-	15.000	-	-	118	15.118	-	15.118
ST loan - FCA Italy to F2MeS	7.622	-	-	-	17.000	-	-	801	25.423	-	25.423
MLT credit line - Intesa to ATLANTE SRL	-	3.922	-	-	-	-	4	-	-	3.926	3.926
MLT credit line - Banco Comercial Português to ATLANTE INFRA	-	-	163	235	-	(159)	-	-	165	73	239
MLT credit line - Milennium BCP to ATLANTE INFRA	-	-	147	519	-	(139)	-	-	149	378	527
MLT credit line - Milennium BCP to ATLANTE INFRA	-	-	1	-	895	(33)	-	-	161	702	863
MLT credit line - Caixa Geral de Depositos to ATLANTE INFRA	-	-	29	80	-	(29)	-	-	30	50	80
MLT credit line - Caixa Geral de Depositos to ATLANTE INFRA	-	-	10	27	-	(10)	-	-	10	17	27
MLT credit line - Caixa Económica Montepio Geral to ATLANTE INFRA	-	-	250	1.250	-	(250)	-	-	273	977	1.250
Atlante Infra PT Put Option	-	-	5.149	-	-	-	-	-	5.149	-	5.149
TOTAL	58.096	3.922	5.749	2.111	116.395	(33.121)	30	1.025	148.085	6.123	154.207

NHOA S.A. has repaid the three credit lines, obtained during 2019 and 2020, for €7.5m, €15m and €10m respectively from Société Générale in order to fund its working capital needs, R&D and capex investments, with maturity date 30 December 2023.

On 29 December 2023, NHOA S.A. enter into a new agreement for a total amount of €32.5m from Société Générale, with maturity date 28 June 2024, in the form of short-term credit facility in order to fund its working capital needs.

In July 2021, with the support of TCC, NHOA entered into a $50m credit lines with Citibank and withedrew an amount of €18m by December 31, 2023. Starting from July 2022, $30m of the $50m credit lines have been converted to guarantee securities on commercial projects and transferred from NHOA SA to NHOA Energy Srl.

During 2022, Atlante obtained a €8m loan from Intesa, as part of the European co-funding program CEF (Connecting Europe Facility) Alternative Fuels Infrastructure Facility valued €22.7m. The financing is intended to provide partial support for the initial stage of a broader project (Southern European EV fast-charging network) that aims to build the first ultra-fast V2G charging network integrated with renewable energy production and storage systems. This financing is structured in two tranches of €4m. In December 2022, Atlante received the first tranche, while the second tranche will be disbursed upon the completion of at least 50% of the investment plan.

As a result of acquisition of Atlante Infra Group Portugal SA, NHOA inherited the loan facilities with Banco Comercial Português S.A for an amount of €0.65m in May 2020, €0.75m in May 2021, €1m in June 2022, with Caixa Geral de Depósitos S.A. for an amount if €0.15m in July 2020, €0.05m in August 2020 and with Caixa Económica Montepio Geral €1.5m in July 2022.

In February 2023, NHOA S.A. received €16m from TCEH in order to fund its working capital need. In May 2023, NHOA Energy Srl and Atlante Srl received respectively €10m and €15m from TCEH in order to fund its working capital need. Moreover, Free2move eSolutions received €17m from FCA as loan in order to fund its working capital needs.
In June 2023, NHOA S.A. has approved and secured €50m credit lines signed with Standard Chartered and, on the same date, a drawdown of €25m has been executed in order to fund its working capital needs.

The SPA signed by Atlante as Purchaser and Estrela Capital S.A., Bonera Group – SGPS, S.A., Smartwatt – Energy Services S.A. as Sellers regarding the acquisition of 60% of Kilometer Low Cost Infra S.A. (KLC Infra, now Atlante Infra Portugal) includes an option over the remainder 40% of the target company.

In 2023 is recognised a financial liability amounting to 5.14m€ in relation to the put option arising by the acquisition of 60% of Kilometer Low Cost Infra S.A. (now Atlante Infra Portugal), which includes an option over the remainder 40% of the company held by the non-controlling interest. This is in line with the requirements of IAS 32.23 which states that "a contract that contains an obligation for an entity to purchase its own equity instruments for cash or another financial asset gives rise to a financial liability for the present value of the redemption amount". The liability is therefore recognised at inception at the present value of the redemption amount.
According to IAS 32 the non-controlling interest is not recognised and any subsequent changes in the redemption liability would be recognised in the profit and loss.

Covenants

Regarding the credit lines, only information covenants are set out in the respective Facility Agreements. The table below illustrates all Group obligations:

-	FINANCIAL COVENANTS AND OBLIGATIONS	OTHER INFORMATION
- **Citibank**	Borrower undertakings: The Bank shall be entitled to demand immediate repayment of the Facility at any time without limitation, if: (i) the Borrower does not pay any amount payable pursuant to the Agreement; (ii) Group cross default related to any member of the Group's Financial Indebtedness; (iii) Taiwan Cement Corp Group cross default related to any member of the Taiwan Cement Corp Group's Financial Indebtedness; (iv) a member of the Group or Taiwan Cement Corp Group: A. is unable or admits inability to pay its debt as they fall due; B. suspends making payments on its debts; C. by reason of actual or anticipated financial difficulties, commences negotiations with one or more creditors (other than Citybank Europe PLC); (v) both (cumulatively) (i) the value of the consolidated assets of NHOA S.A. is less than consolidated liabilities and (ii) the parent support from Taiwan Cement Corp is invalid or no longer satisfactory to the Bank; (vi) a moratorium is declared in respect of any indebtedness of any member of the Group; (vii) Change of control (i.e. Taiwan Cement Corp ceases to hold at least 50.1% of the shares or voting rights in, or interest in the share capital of NHOA S.A. or ceases to have the power to elect a majority of the board of directors of NHOA S.A.).	NA
- **Société Générale**	Borrower undertakings:	Additional undertakings:

	5.27.1.1 Change of Control: TCC ceases to hold directly or indirectly at least 50.1% of the Customer's share capital and/or voting rights TCC "means Taiwan Cement Corporation. 5.27.1.2 non-payment, on the due date, of any sum whatsoever that has fallen due hereunder, 5.27.1.3 non-compliance with any of the undertakings to which the Client has subscribed by virtue hereof.	(i) an imprecision or inaccuracy in any of the declarations made in the clause "Client's Declarations" at the time it was made, or if one of these declarations ceases to be precise and correct; (ii) if the guarantees listed in the clause "Guarantees", from which the Bank must benefit as a surety for the Loan, were not constituted, were to disappear or were not made to the agreed extent; (iii) the disappearance of all or part of the assets provided by way of guarantee, a reduction in their value particularly as a result of any damage that may affect them, contribution to a company, seizure, disposal, donation, mutation, or establishment of real rights pertaining to the said assets, or placement under lease management of the business capital of the Client or of any third-party guarantor; 5.27.1.4 compulsory liquidation, cessation of operations, disposal plan of the company in the context of a collective proceeding by any third-party guarantor; 5.27.1.5 merger, merger-takeover, split of the Client.
Intesa SanPaolo	Borrower undertakings: (i) send to the Bank the annual financial statements within 30 days from the relevant approval; (ii) submit immediately to the Bank, in case of request, any declarations, documents and facts liable to have a noticeable effect on the value of its patrimony; (iii) notify to the Bank's attention all the transformations of a legal,	NA

	administrative or technical nature concerning asset, economical or financial situation of the Borrower or may cause a prejudicial effect on his operative capacity; (iv) hold a bank account in the name of the Borrower at a branch of the Bank for the payment of the financial installments; and (v) not to abandon, to suspend, to execute in a non-conforming way the financed program and not use the facility for the purpose,if the Borrower breaches any of the undertakings in the paragraph from (i) to (v), the Bank shall be entitled to terminate or withdraw from the Agreement.	
Standard Chartered	Borrower undertakings: (i) compliance with any laws and authorizations (ii) pari passu ranking (iii) negative pledge	Additional undertakings: • further assurance; • financial statements; • each Borrower must notify the Bank promptly upon becoming aware of the occurrence of the following: 1. information and undertakings (i.e. any (i) representation, warranty, undertaking or statement made or deemed to be made, or (ii) information provided, by an Obligor, to the Bank is reasonably likely to be incorrect or misleading); 2. disposals; 3. mergers; 4. acquisitions; 5. change of business and governance; and 6. material adverse effect; • provisions of other services; and • insurance.

Banco Comercial Portugues	Borrower undertakings: (i) Cross default clause: any failure to comply with pecuniary obligations before the Tax Authorities, Social Security, employees, and other credit institutions gives Banco Comercial Português, S.A. the right to terminate the agreement. If the Company is subject to a merger or de-merger process without Banco Comercial Português, S.A.'s consent, the latter shall have the right to terminate the agreement. (ii) Change of Control: any change to the Company's shareholding structure must obtain the Bank's consent, under the prejudice of termination of the agreement. (ii) Guarantees / Security: A blank promissory note subscribed by the Company. Guarantee issued by the European Investment Fund. Promissory contract of commercial pledge and irrevocable power of attorney issued by the Company	Additional undertakings: (i) The Bank may increase the interest rate, namely, the spread, (i) if the Company fails to comply with any pecuniary obligation before the Bank, regarding another agreement, or (ii) if the Company fails to comply with any pecuniary obligations before other credit institutions. (ii) Negative pledge clause: the Company is not allowed to sell, lease, assign, encumber or guarantee any of the assets that it may have, without the Bank's consent, under the prejudice of early termination of the agreement. (iii) Pari passu clause: the Company is obliged to give the obligations arising from this agreement equal treatment in respect to other creditors, under the prejudice of early termination of the agreement.
Caixa Geral de Depósitos, SA	Borrower undertakings: (i) Cross default clause: any failure to comply with the obligations arising from another agreement entered into with this Bank or another entity in a group relationship with Caixa Geral de Depósitos, S.A., or with another financial institution, or related to tax, Social Security and employees obligations, gives Caixa Geral de Depósitos, S.A. the right to terminate the agreement.	Additional undertakings: (i) Negative pledge clause: the Company is not allowed to sell, lease, assign, encumber or guarantee any real estate assets that it may have, without the Bank's consent, under the prejudice of early termination of the agreement. (ii) Pari passu clause: the Company is obliged to give the obligations arising from this agreement equal treatment in respect to other creditors, under

	(ii) Change of Control: Any change to the Company's shareholding structure must obtain the Bank's consent, under the prejudice of termination of the agreement. (iii) Guarantees /Security: A blank promissory note subscribed by the Company. Autonomous bank guarantee on first demand issued by Norgarante – Sociedade de Garantia Mútua, S.A. for 90% of the amount in debt.	the prejudice of early termination of the agreement.
Caixa Económica Portuguesa	Borrower undertakings: (i) Cross default clause: any failure to comply with obligations before the Social Security, Tax Authorities, and any third parties gives Caixa Económica Montepio Geral, S.A. the right to terminate the agreement. (ii) Change of Control: Any change to the Company's shareholding structure must obtain the Bank's consent, under the prejudice of termination of the agreement. (iii) Guarantees / Security: A blank promissory note subscribed by the Company. Guarantee issued by the European Investment Fund for 70% of the lent amount.	NA

5.28 Net financial position

A remarkable improvement of the Net Financial Position by €96.405k in FY 2023 is due to the successful completion of capital increase with shareholders' preferential subscription rights.

The cash position on 31 December 2023, represented by liquid assets, amounted to €238.901k compared to €47.386k at the end of 2022.

NET FINANCIAL POSITION (amounts in K Euro)	NOTES	31/12/2023	31/12/2022
Cash and cash equivalent	5.21	238.901	47.386
Cash at banks and petty cash		*238.901*	*47.386*
Current financial assets*	5.20	10.016	18.495
Liquidity investments		10.016	9.763
Receivables from minority shareholders		-	*4.700*
Other current financial assets		-	*4.032*
Current financial liabilities	5.27	(142.936)	(58.096)
Current bank debt		(142.148)	*(58.096)*
Current portion of non-current debt		(788)	-
Net current financial position		105.981	7.785
Non current financial assets**	5.16	791	381
Security deposits		*791*	*381*
Non current financial liabilities	5.27	(6.123)	(3.922)
Non current bank debt		(6.123)	*(3.922)*
Net non current financial position		(5.332)	(3.541)
NET FINANCIAL POSITION		100.649	4.244

*18.600 k€ cash collateral as of 31/12/2023 maturing within one year, included in current financial assets (please refer to paragraph 5.20) and not in the net financial position

**15.962 k€ cash collateral as of 31/12/2023 maturing in more than one year, included in non current financial assets (please refer to paragraph 5.16) and not in the net financial position

5.29 Related party disclosures

5.29.1 Intra-group Operations

NHOA S.A., as parent company of the NHOA Group, may, as appropriate, enter info financial transaction with NHOA Group.

In 2016, the NHOA Group companies entered into a cost sharing agreement based on a direct splitting of costs related to support functions. The reallocation of costs resulting from the transfer pricing policy was made in compliance with market conditions and French and Italian regulations. The corporate functions assigned to the benefit of the various NHOA Group companies are assigned to specific cost centers and can be supported by NHOA S.A., or by its subsidiaries. In the latter case, the share of the support functions supported by the subsidiaries is first billed back to NHOA S.A. and allocated to the specific cost centers to be included in the total cost of the common functions.

From 2023 following the Group reorganization all support functions have been reallocated toNHOA Corporate, a newly incorporated company directly owned by NHOA S.A., that provides services to all NHOA Business Unit.

The total cost of the shared functions is then distributed among NHOA Group companies under service agreements and cost sharing agreement, according to consistent and homogeneous criteria, at market conditions. The allocation criteria chosen are objective and measurable. Allocation keys are applied consistently to all entities and allow correlation of allocated costs and revenues.

On 16 April 2020, in the context of the research project studying the V2G technology within the parking lot area named "Drosso" located at FCA's plant in Turin ("Drosso Project"), the Company entered into a framework agreement with NHOA Energy providing engineering and project management services for the realization of the V2G System at the rates agreed under such framework agreement. The contract price is €1,034k.

On 27 December 2021, the Company granted a debt loan facility to NHOA Energy for €12.000k. As at 31 December 2021, the €11.000k was drowned. In 2022, the €12.000k was completely drowned and the contract was replaced by two new contracts, a revolving loan facility and a loan facility, each of €9.500k, with an effective date of 29

April 2022, for one year. During the FY2022 NHOA Energy drawdown €8 million of funds made available by NHOA SA that leads the financial loan toward the Company to a total amount of €19 million. As at 31 December 2022, the loan was fully paid.

On 27 December 2021, the Company granted a debt loan facility to NHOA Australia for AUD$13.000k. As at 31 December 2021, the AUD$12.704k was drowned. In 2022, the AUD$13,000k was completely drowned and the contract was replaced by two new contracts, a revolving loan facility and a loan facility, each of AUD$13.000k, with an effective date of 29 April 2022, for one year. During the FY 2022 NHOA Australia drawdown AUD$13.296k of funds made available by NHOA SA that leads the financial loan toward the Company to a total amount of AUD$26 million. As of 31 December 2022, the loan was fully repaid, and the contract was terminated.

In December 2022:

- NHOA SA granted a revolving loan facility to NHOA Corporate for €7.603k for one year. As of 31 December 2022, the fully amount was drowned.
- NHOA SA granted a revolving loan facility to NHOA Calliope (formerly, Atlante TopCo) for €20.600k for one year. As of 31 December 2022, €16.800k was drowned.
- NHOA SA assigned and transferred to Atlante the loan with Atlante France for €4.500k.
- NHOA S.A. made an Equity Increase in NHOA Corporate through a set-off with the correspondent credits towards NHOA Energy for a total amount of €20.528k.
- NHOA S.A waives its credits in NHOA Energy and transformed them in Equity increase for a total amount of €9.861k.
- NHOA S.A waives its credits in NHOA Calliope (formerly, Atlante TopCo) and transformed them in Equity increase for a total amount of €12.848k.
- NHOA S.A. has bought the remaining 40% shares of Comores Energies Nouvelles for a total amount of €450k.

In December 2023:

- NHOA S.A. made an Equity Increase in NHOA Energy for a total amount of €55.000k.
- NHOA S.A. made an Equity Increase in NHOA Corporate of a total amount of €191.000k (22 December 2023 and 29 December 2023) of which €55.000k through a set-off with the correspondent credits.
- NHOA SA granted a loan facility to NHOA Corporate for €90.000k for one year and as of 31 December 2023, €58.399k was drowned.

5.29.2 Significant agreements concluded with related parties

NHOA S.A associated parties to notably include the shareholders of the Company, its consolidated and unconsolidated subsidiaries, companies under joint control, associated companies and the entities over which the various directors of the Group exercise at least a notable influence.

Also, Mr. Carlalberto Guglielminotti (CEO and Board member of NHOA S.A.) signed an employment contract with NHOA Corporate on 15 November 2023 and Mr. Giuseppe Artizzu (Board member of NHOA S.A., Chief Executive

Officer of NHOA Energy and chief of the Energy Storage BU) signed a directorship agreement with NHOA Energy on 14 March 2017.

The Group carries out transactions with related parties at arms' length.

The principal operations with associated parties are with TCC, major shareholder of the Company.

Agreement with TCC

On 25 March 2022, NHOA Energy and TCC entered into a contract for the supply of a battery storage system of 7.2 MVA/22.3 MWh for phase 2 of Hoping Plant, Taiwan, for an amount of $4.000K. TCC released an option on 13 April 2022 for the additional supply for a price of $2.450 K.

On September 25th, 2023, the Company and TCC signed a license agreement defining the terms and condition of a license allowing TCC to exploit the word and figurative trademarks "NHOA" owned by the Company in Taiwan and China and the word trademark "NHOA" owned by the Company in China in light of the development of TCC' activities, in the NHOA Group's business (Energy Storage, e-Mobility and EV Fastcharging Network). The Company granted the use of the trademarks to TCC for three years starting from the date of the signature, basing on (i) an exclusive towards other third parties and (ii) non-transferable license. The trademarks will be exclusively used and exploited together with the suffix "TCC" to create and use the following sign "NHOA.TCC". The licence agreement was analysed by the Independence Committee, that gave positive determination to its conclusion.

Agreement with TCC Energy Storage Technology Corporation

On 14 October, 2021, TCC Energy Storage Technology Corporation (a TCC subsidiary) issued a purchase order for NHOA Energy for the supply of a Battery Energy Storage System (BESS) of 43.2 MVA / 87.5 MWh useful capacity and 107.3 MWh installed capacity to be built at TCC's facility in SuAo, Taiwan. The amount of the purchase order is USD 29.415k. On 11 October 2022, TCC Energy Storage Technology Corporation assigned and transferred all rights and obligations in respect to this contract to TCC Yingde Cement Co. LTD.

On 1 December 2022, NHOA Energy and TCC Energy Storage Technology Corporation entered into a contract for the engineering, design, manufacturing, procurement, supply, transportation, testing and commissioning a 43.2 MW AC / 123.6 MWh DC battery energy storage system in TCC SuAo Plant, located in SuAo Township, Yilan County, Taiwan. The contract value amounts to USD 43.832k.

Agreement with TCC Yingde Cement Co. LTD

On 11 October 2022, TCC Yingde Cement Co. LTD a company registered under the laws of China accepted the transfer of the contract from TCC Energy Storage Technology Corporation for the supply of a Battery Energy Storage System (BESS) of 43.2 MVA / 87.5 MWh useful capacity and 107.3 MWh installed capacity to be built at TCC's facility in Yingde, Guangdong Province, China. The contract value amounts to USD USD 25.057k.

Agreement with F2MeS, NHOA Energy and FCA

On 15 October, 2021, F2MeS, NHOA Energy and FCA Italy SpA signed a binding memorandum of understanding by means of which agreed on key terms, conditions and objectives of the Atlante Project to be reflected into a definitive cooperation agreement as well as the consequent amendments to be made to the Investment and Shareholders' Agreement executed between NHOA Energy NHOA S.A. and FCA Italy S.p.A. on 15 January 2021 relating to the set-up of F2MeS.

Agreement with FCA

On 11 January 2022, FCA Italy SpA granted loan facilitiy to F2MeS for €2.500k for 3 months renewable. As of june 2023, the fully amount was drowned.

On 20 July 2022, FCA Italy SpA granted loan facilitiy to F2MeS for €2.500k for 3 months renewable. As of june 2023, the fully amount was drowned.

On 16 November 2022, FCA Italy SpA granted loan facilitiy to F2MeS for €2.500k for 3 months renewable. As of june 2023, the fully amount was drowned.

During the first half of 2023, FCA Italy SpA granted loans facilities to Free2Move for €5.000k for one year and €5.000k for three months renewable. As of 30 June 2023, the fully amount was drowned.

During the second half of 2023, FCA Italy SpA granted loans facilities to Free2Move for €7.000k for three months renewable. As of 31 December 2023, the fully amount was drowned.

Agreement with Taiwan Cement Europe Holdings B.V.

In 2023:

(i) TCEH granted loans to NHOA Energy Srl for €10.000k for one year. As of 31 December 2023, the full amount was drowned.

(ii) TCEH granted loans to Atlante Srl for €15.000k for one year. As of 31 December 2023, the full amount was drowned.

(iii) TCEH granted loans to NHOA SA for €16.000k for one year. As of 31 December 2023, the full amount was drowned.

5.30 Loan commitments and guarantees and off-balance sheet commitments

The amount of off-balance sheet commitment concerning the Group is equal to €152.206k and refers to bank guarantees emitted on behalf of customers. The amount of guarantees includes as follows:

- €18.600k cash collateral as of 31/12/2023 maturing within one year, please refer to paragraph 5.20.
- €15.962k cash collateral as of 31/12/2023 maturing in more than one year, please refer to paragraph 5.16.

5.31 Subsequent events

- **New Atlante fastcharging station inaugurated at Riester's historic Coulommiers dealership:** On 11 Jenuary 2024, Atlante and Riester Group, leading French car dealer for Stellantis (STLA) vehicles with over 20 dealerships, inaugurated a new fastcharging station at the Riester's historic flagship dealership in Coulommiers, Seine-et-Marne. Located in the Riester Group's historic flagship dealership at 6 Boulevard de la Marne in Coulommiers in the Seine-et-Marne region (77), the station includes 4 ultra-fastcharging points of up to 150kW each, allowing EV drivers to fully charge their vehicles in around 30 minutes. Atlante's competitive price is currently set at €0,52 per kWh, including VAT. The station can be easily found on all main e-mobility apps, is compatible with all charging standards and EV models, accessible to people with reduced mobility and available 24 hours a day, 7 days a week.
- **REN and ATLANTE establish partnership to develop five projects using the Speed-E grid connection solution:** On 1 February 2024, REN – Redes Energéticas Nacionais, operator of the Portuguese electricity and natural gas transmission networks, and Atlante signed a Memorandum of Understanding for the development of five projects in Portugal using the Speed-E grid connection solution, developed and patented by REN, in selected Atlante fast charging stations. Speed-E is an innovative solution that enables the charging of electric vehicles through a direct connection to the electricity transmission network, i.e. Very-High-Voltage transmission lines. By enabling a direct connection to the transmission network, in addition to providing significant power for electric vehicle charging purposes, the solution paves the way to the expansion of charging infrastructures to locations where the transmission network is present.

  In Portugal, this represents an extension of approximately 9,000 km. The solution ensures the power supply of multiple fast and/or ultra-fast chargers simultaneously, and its modular architecture also enables the customisation and progressive scalability of projects, according to customers' power requirements and an ever-growing EV penetration.
- **Atlante Partners with Chargemap to improve electric vehicle charging experience in France, Italy, and Spain:** On 6 Frebruary 2024, Atlante announced a multi-national partnership with Chargemap urope's leading platform for electric vehicle drivers, which will enable almost 2 million users of Chargemap's services to access Atlante's charging stations, offering localization and payment services. The integration of the Atlante network into Chargemap's widely-used app will enable EV drivers in France (where Chargemap is the most used app in the segment), Italy and Spain to plan their routes to Atlante's charging stations, checking their availability in real time and once arrived recharge with ease via the app payment services. Atlante and Chagemap moreover intend this partnership to pave the way for additional joint initiatives to deliver more services and better user experience to our current and future customers. For Atlante a greater focus on offering user-friendly charging is absolutely necessary to expand the benefits of modern, zero-emission electrical vehicles driving to an increasingly wider audience.
- **Change in shareholding:** between 1 January 2024 and the date of publication of this document, the Company was not notified of any other crossing of legal threshold filed with the AMF.

No other subsequent events were recorded at the time of publication of this document.

5.32 Board compensation

The board compensation is determined by the Annual General Shareholdings' Meeting. It is paid on a current basis and no indemnity leave or share based compensations were agreed on the past.

As in previous years the Chief Executive Officer and the Executive Directors compensation is not included in Other Operating Expenses, but it has been reclassified in the item Personnel costs, because both Directors played a full operative role in the business and corporate strategy of the NHOA Group.

However, for sake of clarity, the board compensation outlined in this section includes the cost for the Board and the salary of the Chief Executive Officer and the Executive Directors.

The table below presents a summary of the remuneration due by NHOA to the Board of Directors in charge on 2023 and the compensation due by NHOA to the Executive Directors:

BoD AND EXECUTIVE DIRECTORS REMUNERATION AND BENEFITS (amounts in K Euro)	31/12/2023	31/12/2022
Fixed compensation	525	500
Variable compensation	698	627
Compensation as board member	335	321
Exceptional remuneration	1.300	-
Value of performance shares granted during the fiscal year	-	770
Benefits in kind	98	94
TOTAL BoD AND EXECUTIVE DIRECTORS REMUNERATION AND BENEFITS	2.956	2.311

5.33 Statutory's auditors compensation

Pursuant to Article 222-8 of the General Regulations of the French Financial Markets Authority (AMF), the following table presents information on the fees paid by NHOA Group and its subsidiaries to each of the auditors in charge of auditing the annual and consolidated financial statements:

	Amount (in K €) taxes excluded					
	Deloitte & Associés		RBB Business Advisors		Others	
	2023	2022	2023	2022	2023	2022
Audit						
Audit of the accounts, certification, review of the annual statutory financial statements and annual consolidated financial statements						
Consolidated Financial Statements	207	190	58	54	0	0
Statutory Financial Statements	0	0	0	0	217	128
Other services directly related to the audit mission						
Others	317	101	65	0	0	0
TOTAL	524	291	123	54	217	128