

**PRESS RELEASE**

**REWAY GROUP: BOARD OF DIRECTORS APPROVED THE CONSOLIDATED HALF-YEAR FINANCIAL REPORT AS OF JUNE 30th, 2024**

**Continued steady growth in all economic indicators**

**APPROVED THE PROPOSAL TO GRANT A PROXY TO THE BOARD OF DIRECTORS TO INCREASE THE SHARE CAPITAL**

- Value of Production: 116.2 million euros (+41% vs 1H2023 Pro-forma)
- EBITDA: 20.3 million Euro (+14% vs 1H2023 Pro-forma); EBITDA Margin 17% (22% 1H2023 Pro-forma)
- EBIT: 15.4 million Euro (+28% vs 1H2023 Pro-forma); EBIT Margin 13% (15% 1H2023 Pro-forma)
- Group Net Income: 8.5 million Euro (+83% vs 1H2023 Pro-forma)
- Net Financial Position (NFP): 62.8 million Euros, up from 34.6 million Euros FY2023, due to the closing of the Gema transaction
- Group shareholders' equity: 78.2 million euros (69.7 million euros FY2023)
- More than 227 million euros of contracts awarded in the first half of the year
- Hired more than 140 employees in the first six months

**Licciana Nardi (MS), Sept. 30th, 2024** - The Board of Directors of **Reway Group S.p.A. (EGM: RWY)**, Italy's largest operator specialized in rehabilitation and maintenance of road and highway infrastructures, as well as the only organization in Italy capable of handling all the activities related to the restoration of bridges, tunnels and viaduct (the "**Company**" or "**Reway Group**"), has approved the consolidated half-year financial report as of June 30th, 2024, voluntarily subjected to limited audit.

*"The results for the first half of 2024 further consolidate the strong and steady growth trend that has always characterized our Group,"* - commented **Paolo Luccini**, President and CEO of Reway Group. *"In the first half of the year,"* Luccini continued, *"we achieved excellent results in all the main economic indicators, with the value of production almost doubled compared to the same period in 2023 and the Group's profit pertaining to the Group growing by more than 80 percent. For the future,"* Luccini concluded, *"we are counting on the fact that the huge investments for the modernization of the country's infrastructures, allocated and planned by highway, road and rail operators, will give further impetus to our development in the sectors where we are protagonists with our companies."*

**Key consolidated results as of June 30th, 2024**

Following the acquisition of 100 percent of Gema S.p.A. -among the leading operators active in the maintenance of infrastructure and civil works in the railway sector-concluded in April, the consolidated half-year financial report as of June 30th, 2024 fully includes, at both the income statement and balance sheet level, the figures of the newly acquired company. The income statement figures are compared with the pro forma consolidated half-yearly financial report as of June 30th, 2023 which was published at the time of the reverse takeover transaction in October 2023, which included the figures of Gema S.p.A. (formerly Se.Gi. S.p.A.) as if the acquisition had been completed on January 1st, 2023; the figures are therefore comparable.

The **value of production** stood at 116.2 million euros (+41% vs. 1H2023), a strong increase from 82.4 million euros as of June 30th, 2023. The growth recorded is fully organic and stems from the gradual grounding of projects as and when awarded by the Group.

**Sales revenues** of 93.5 million euros (+46% vs. 1H2023) are composed of 40% from revenues generated by Gema, 38% by MGA, 10% by Soteco, and 12% by TLS.

The **backlog** as of June 30th, 2024 is approximately 913.3 million euros. The amount of tenders awarded and pending processing provides ample visibility on revenues for the next 5 years. As a result of contracts acquired after the end of the six-month period under review, the order backlog as of the current date is EUR 1.045 billion, before the portion produced so far in the third quarter of 2024.

**EBITDA** is EUR 20.3 million (+14% vs. 1H2023), due to volume growth. Margins for the six-month period decreased to 17% (22% as of June 30th, 2023) due to the mix of processing performed in the period.

**EBIT** was EUR 15.4 million (+28% vs. 1H2023), with an EBIT margin as a percentage of production value of 13% (15% as of June 30th, 2023), after EUR 3.2 million of amortization related to intangible assets and EUR 1.6 million related to tangible assets.

Finally, **Group Net Income** was 8.5 million euros (+83% vs. 1H2023) as a result of organic growth and the reduction of minority interests, which in the previous year included 30% of Gema's result.

**Net fixed assets** amounted to 78.0 million euros, up from 73.5 million euros as of Dec. 31st, 2023, mostly due to intangible assets, which saw an increase of 3.5 million euros mainly attributable to the goodwill generated by the acquisition of minority interests in Gema and MGA.

**Trade working capital** was 113.4 million euros, up from 86.6 million euros as of December 31st, 2023, mainly due to the normal trend of trade receivables and payables of Group companies in connection with the increase in volumes.

**Group Shareholders' Equity** amounted to 78.2 million euros, an increase of approximately 8.5 million euros from 69.7 million euros as of December 31st, 2023 mainly due to the acquisition of 30 percent of Gema, the net result achieved in the period, and share premium reserves.

**Net Financial Position** amounted to 62.8 million euros of debt, up from 34.6 million euros of debt at the end of the previous year, due to the outlay of about 27 million euros incurred for the closing of the Gema transaction through the acquisition of the remaining 30 percent.

As for the total workforce, the Group's average workforce as of June 30th, 2024 numbered 728 employees. In the first half of the year, 144 new resources were hired, including employees and collaborators.

### **Significant events during the six-month period**

**The period was marked by the finalization of a major acquisition transaction, namely the increase of the Company's stake in Gema, in which Reway Group now holds 100%.** Specifically, on March 19, 2024, the Company signed an agreement with Gema's minority shareholders to advance the call option by May 2024, renegotiating the terms of the sale and purchase agreement signed with Gema's sellers and obtaining a 50% reduction in the price adjustment component. The decision by Reway Group's top management to further consolidate its stake in the subsidiary Gema S.p.A., rising to 100 percent of the company's share capital, was made in light of the subsidiary's good business performance and the previous ownership's willingness to discontinue its cycle internally.

The transaction was then concluded on April 22, 2024, through the exercise of the call option on the remaining 30 percent of the share capital, finalizing an acquisition that allowed for 100 percent control of a company that is a benchmark in its sector, financially sound, free of bank debt, and has always supported its business with its own resources.

**The first half of the year was, moreover, particularly positive in terms of new contract awards, totaling more than 227 million euros. In detail, new contracts, concerned:**

- **January 15, 2024:** The MGA subsidiary was awarded work for the design and construction of a tunnel along the Amatrice - Montoneale - L'Aquila ridge. The contract, worth 62 million euros, marks Reway Group's entry into new infrastructure construction.

- **Feb. 9, 2024:** Subsidiary MGA was awarded, as part of a consortium led by the Webuild Group, a contract worth (pro-rata) 33 million euros for the structural rehabilitation of highway viaducts in central Italy.

- **March 7, 2024:** Subsidiary Gema was awarded works worth about 84 million euros in the railway sector. These contracts mainly refer to four new framework agreements awarded to Reway Group's subsidiary by Rete Ferroviaria Italiana - RFI.

- **June 4, 2024:** Subsidiary Gema was awarded three new contracts in the railway sphere for the maintenance of buildings in the railway sector, extraordinary maintenance of RFI's civil works, and the doubling of the Valle Aurelia - Vigna Clara line, for a total value of more than 48 million euros.

### **Significant events after the end of the period**

The period after the end of the six-month period was marked by major new contracts awarded by subsidiaries of Reway Group. Specifically:

- **Sept. 6, 2024:** the subsidiary Gema was awarded new works in the railway sector worth about 42 million euros, related to the construction of the new interchange stop in the Pigneto district of Rome.
- **Sept. 12, 2024:** Reway Group surpassed 1 billion euros in its order backlog, gross of the portion produced so far in the third quarter of 2024, thanks to the subsidiary MGA's winning of the tender called by ANAS related to the three-year Framework Agreement for the structural rehabilitation of tunnels in road sections in central and southern Italy.
- **Sept. 16, 2024:** The subsidiary MGA won the European tender called by ANAS related to the three-year Framework Agreement for the structural rehabilitation of viaducts located in some road sections in Lazio, a contract worth 36 million euros.

In addition, on Sept. 10, 2024, **Reway Group signed an agreement to acquire 100 percent of Vega Engineering S.r.l.** a multidisciplinary engineering company whose core business includes engineering design of road and rail infrastructures, civil and industrial works, support services to R.U.P. and contract management. The transaction, which will take place in two tranches, for the acquisition of 60 percent and 40 percent of the target, respectively, will enable Reway Group to expand the range of services offered to include the design of infrastructure works and will increase the executive efficiency of works, improving the Group's ability to start some backlog contracts. With specific reference to the first 60% tranche, it is specified that a part of this acquisition will take place through an ad hoc capital increase, as announced on September 10 when the agreement was signed,

### **Foreseeable developments in operations**

The infrastructure rehabilitation market in Italy is undergoing a phase of strong change, in relation to the age of the network, with major investments by major road, highway and rail operators.

In this context, Reway Group is in the position of a key player in the rehabilitation of bridges, viaducts and tunnels in the Italian infrastructure network.

During the period under review, there has been a substantial stabilization of raw material prices. It should be noted, however, that thanks to the entry into force of the new Procurement Code Legislative No. 36/2023 of July 1, 2023, all new awards will be subject to an automatic price revision mechanism on individual items that undergo increases of more than 5 percent. This will further prospectively mitigate the risk associated with price increases.

In view of the significant growth of the Group through the numerous contracts awarded, Management intends to expand the workforce further and continue the process of managerialization of the parent company and subsidiaries.

## **Proposal to grant a proxy to the Board of Directors to increase the share capital**

At the same meeting, the Board of Directors resolved to submit to the upcoming Extraordinary Shareholders' Meeting a proposal to grant a proxy to the Board of Directors to increase Reway Group's share capital, on a divisible basis and for cash, in one or more times within 3 years from the date of the shareholders' resolution and within the limit of 10% of the pre-existing share capital, by issuing ordinary shares, with no express par value, in dematerialized form, with regular dividend rights and the same characteristics as the ordinary shares in circulation on the date of issue, with the exclusion of option rights pursuant to Art. 2441, paragraph 4, second sentence of the Civil Code.

This delegation of authority will enable the Board of Directors to proceed first with the capital increase related to the Vega Engineering acquisition transaction as reported above and, subsequently, with possible further capital increases, with greater flexibility and speed, in response to the Company's needs, thus ensuring the possibility of strengthening the capital structure and encouraging the entry of new strategic investors.

In addition to the aforementioned flexibility, the Board of Directors will have the power to establish the terms, terms and conditions of the capital increase, within the limits and in compliance with the provisions of the shareholders' resolution and the provisions of Article 2441, paragraph 4, second sentence, of the Civil Code, which stipulates that the issue price must correspond to the market value and this must be confirmed in a special report by an auditor or auditing firm.

In this regard, the Board of Directors resolved to convene an extraordinary shareholders' meeting to act on the proposal to grant the aforementioned proxy and to resolve on the proposed amendment to Articles 6 and 24 of the Articles of Association.

## **Other resolutions of the Board of Directors**

Today, the Board of Directors of Reway Group, in accordance with Article 6-bis of the Euronext Growth Milan Issuers' Regulations, defined the quantitative and qualitative criteria on the basis of which to assess the significance, including economic significance, of potentially relevant relationships for the purposes of the annual assessment of the independence requirements of candidates for the office of independent director (the "Policy"). Also today, the Board of Directors gave a positive assessment of the independence of Dr. Giuseppe Vegas, current independent director.

The Policy will be made available on the Company's website at <https://www.rewaygroup.com/> in the Governance-Corporate Documents section.

\*\*\*

The consolidated half-yearly financial report as of June 30, 2024 will be made available to the public at Reway Group's registered office and in the Investor Relations-Financial Statements and Periodic Reports section <https://www.rewaygroup.com/> within the terms required by current regulations, as well as on the website <https://www.borsaitaliana.it/> in the Shares/Documents section.

For the dissemination of regulated information, Reway Group makes use of the 1info dissemination system ([www.1info.it](http://www.1info.it)), managed by Computershare S.p.A. with registered office in Milan, via Lorenzo Mascheroni 19 and authorised by CONSOB.

\*\*\*\*

This press release is available on the Company's website <https://www.rewaygroup.com/> under Investor Relations - Press Releases and at [www.1info.it](http://www.1info.it)

\*\*\*\*

**Reway Group** — the Parent Company of the Group of the same name — is Italy's largest operator specialised in rehabilitation and maintenance of road and highway infrastructures, as well as the only organisation in Italy capable of handling all the activities related to the chain of restoration of bridges, tunnels and viaducts, and to also have in its core business the maintenance of the railway network.

Reway Group was formed in December 2021 via the assignment of the shares held by **M.G.A. S.r.l.**, **Soteco S.r.l.** and **TLS S.r.l.** — companies operating in Italy in the road and highway infrastructure maintenance and rehabilitation sector, which are currently operational and 100% controlled by Reway Group. The Group was created to provide its subsidiaries with a unified corporate and managerial structure, in order to best address the evolution of a sector that is markedly expanding and growing, both in Italy and abroad. The Group's subsidiaries also includes **Gema**, a leading player in the maintenance of infrastructure and civil works in the railway sector. To this end, the Company provides services to its subsidiaries, including planning and financial strategy, procurement of

Reway Group has a workforce of 500 overall and has a modern fleet with over 300 operating vehicles

## Contacts

### Reway Group S.p.A.

Company | Federico Della Gatta – Investor Relations Manager | [ir@rewaygroup.com](mailto:ir@rewaygroup.com)

### Integrae SIM S.p.A. | T +39 02 80506160

Euronext Growth Advisor & Specialist | [info@integraesim.it](mailto:info@integraesim.it) | Piazza Castello 24 - 20121 Milano

### Barabino & Partners – Media e Investor Relations

Stefania Bassi

E-mail: [s.bassi@barabino.it](mailto:s.bassi@barabino.it)

[mob: +39 335 6282667](tel:+393356282667)

Jacopo Pedemonte

E-mail: [j.pedemonte@barabino.it](mailto:j.pedemonte@barabino.it)

[mob: +39 347 0691764](tel:+393470691764)

Elena Magni

E-mail: [e.magni@barabino.it](mailto:e.magni@barabino.it)

[mob: +39 348 4787490](tel:+393484787490)