NEXTGEO

CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS AS OF 30 JUNE 2024

(COURTESY TRANSLATION FOR THE CONVENIENCE OF INTERNATIONAL READERS)

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CORPORATE DATA OF THE PARENT COMPANY

Registered office
Next Geosolutions Europe SpA
Via Santa Brigida, 39
80133 – Naples (Italy)

Legal data
Tax Code and VAT number: 05414781210
E.A.I. registration number: NA – 752588
Authorised share capital: EUR 600,000
Subscribed and paid-up share capital: EUR 600,000

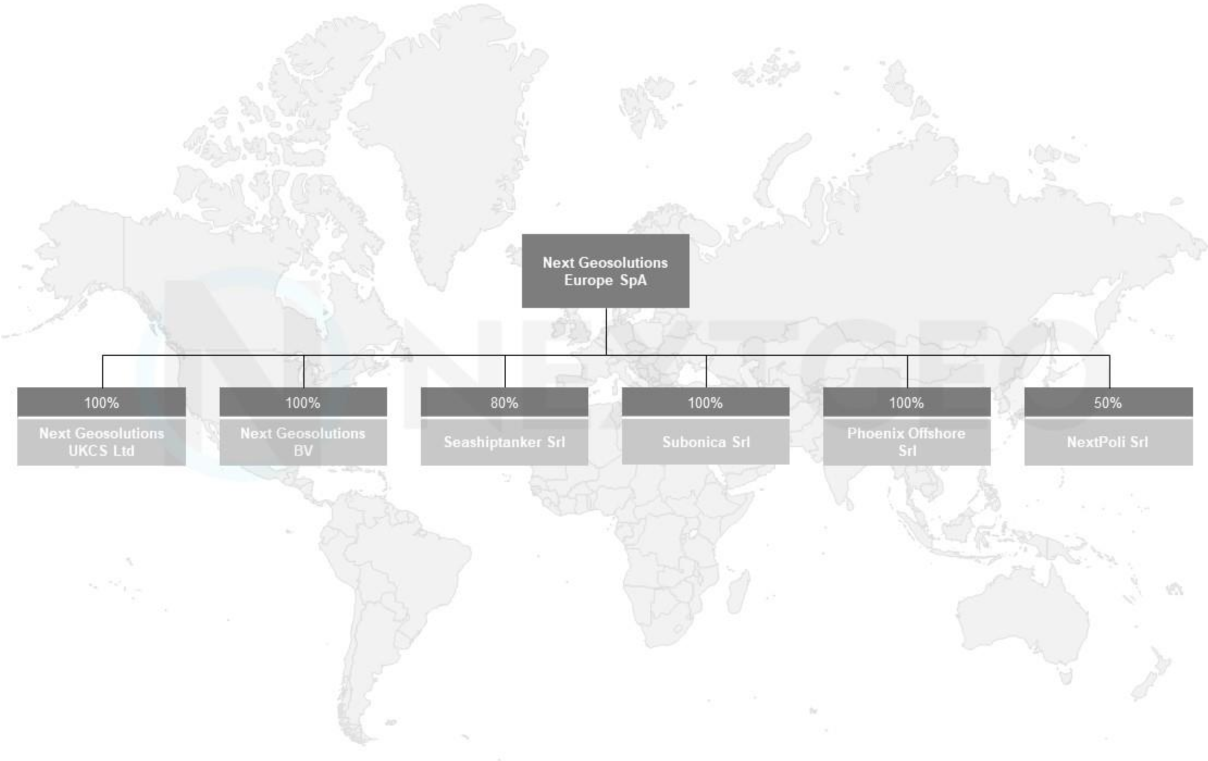
Website: https://www.nextgeo.eu

COMPOSITION OF THE PARENT COMPANY CORPORATE BODIES AS OF 30 JUNE 2024

Board of Directors [(1)]	Attilio Ievoli	Chairman of the Board of Directors
	Giovanni Ranieri	Managing director
	Giuseppe Maffia	Managing director
	Andrea Costantini	Independent director
	Giorgio Filippi	Independent director
Board of Statutory Auditors [(2)]	Maurizio Vetere	Chairman of the Board of Statutory Auditors
	Simone Andrea d'Aniello	Standing Statutory Auditor
	Davide Lorenzo Pio Barosi	Standing Statutory Auditor
	Mazio Marzio	Alternate Statutory Auditor
	Mauro Secchi	Alternate Statutory Auditor
Auditing Firm [(3)]	PricewaterhouseCoopers SpA	
Investor relator	Giuseppe Maffia	

[1] Appointed by the Ordinary Shareholders' Meeting on 29 March 2024 (Chairman and Managing Directors) and on 15 May 2024 (independent Directors), it will remain in office until the approval of the financial statements for the year ending 31 December 2026.
[2] Appointed by the Ordinary Shareholders' Meeting on 29 March 2024 and on 15 May 2024 (Davide Lorenzo Pio Barosi), it will remain in office until the approval of the financial statements for the year ending 31 December 2026.
[3] Appointed by the Ordinary Shareholders' Meeting on 28 April 2023, it will remain in office until the approval of the financial statements for the year ending 31 December 2025.

GROUP CORPORATE ORGANISATION CHART AS OF 30 JUNE 2024



GROUP COMPOSITION AS OF 30 JUNE 2024

Parent company

Company Name	Headquarters
Next Geosolutions Europe SpA	Naples - Italy

Subsidiaries

Company Name	Headquarters
Seashiptanker Srl	Naples - Italy
Phoenix Offshore Srl	Naples - Italy
Subonica Srl	Naples - Italy
Next Geosolutions Ukcs Ltd	London - United Kingdom
Next Geosolutions BV	Ijmuiden - The Netherlands

Jointly controlled companies

Company Name	Headquarters
NextPoli Srl	Naples - Italy

Next Geosolutions Europe SpA
Parent company, with registered office in Naples (Italy), carries out geophysical and geotechnical analysis at sea.

Seashiptanker Srl
A company with registered office in Naples, Italy, 80% owned by the parent company Next Geosolutions Europe SpA and 20% owned by Marnavi SpA (parent company of Next Geosolutions Europe SpA), it performs owner-management activities of a naval vessel.

Phoenix Offshore Srl
A company with registered office in Naples (Italy), 100% owned by the parent company Next Geosolutions Europe SpA, it carries out activities pertaining to the technical management of the naval fleet.

Subonica Srl
A company with registered office in Naples (Italy) and wholly owned by the parent company Next Geosolutions Europe SpA, it carries out surveys and underwater inspections in coastal areas.

Next Geosolutions Ukcs Ltd
A company with registered office in London (UK) and operational headquarters in Norwich (UK), 100% owned by the parent company Next Geosolutions Europe SpA, it carries out the same activities as the parent company (geophysical and geotechnical analysis at sea), mainly in the North Seas.

Next Geosolutions BV
A company with registered office in Ijmuiden (The Netherlands), 100% owned by the parent company Next Geosolutions Europe SpA, it carries out administrative management of orders with Dutch clients.

NextPoli Srl
A company with registered office in Naples jointly controlled by Next Geosolutions Europe SpA (50%) and Poliservizi Srl (50%), it performs nearshore geophysical and geotechnical analysis.

DIRECTORS' INTERIM REPORT ON OPERATIONS

PREMISE

This half-yearly financial report of Next Geosolutions Europe group (hereinafter also referred to as “NextGeo group” or the “Group”) is prepared in accordance with the provisions of Art. 18 of the Euronext Growth Milan Issuers’ Regulation (hereinafter also the “Issuers’ Regulation”). This report, which was approved by the Board of Directors of Next Geosolutions Europe SpA (hereinafter also referred to as the “Issuer” or the “Parent Company” or the “Company”) on 27 September 2024, is prepared and drafted in the same manner as the annual financial statements and is subject to a limited audit by PricewaterhouseCoopers SpA.

INFORMATION ON THE GROUP

NextGeo group is an international provider of marine geoscience and offshore construction support services, operating mainly in the energy sector, with a focus on renewable energy and sustainability in all its forms.

Founded at the end of 2014, NextGeo group carries out marine surveying activities of a geophysical and geotechnical nature, as well as further offshore construction support activities, both in the domestic and international markets, for companies operating in the submarine power cable (Interconnector), offshore renewable energy (offshore wind farms) and Oil&Gas sectors. The activities are carried out by NextGeo group both offshore (in deep sea, far from the coast) and nearshore (in shallow water, purely near the coast).

NextGeo group is one of the leaders in its field, able to provide high-quality, efficient and sustainable solutions covering the entire lifecycle of assets and projects implemented, from their initial conception to the design phase, through development and engineering, installation, inspection and maintenance, to their decommissioning.

Part of Marnavi group, NextGeo group combines the knowledge, skills and resources of professionals with over 30 years of experience in the marine and *offshore* industry with established consulting and engineering capabilities. Thanks to the experience gained in the sector, the skills developed and the technology available, the Group is able to offer solutions ready to meet the needs of its customers, while complying with all required quality standards.

With a fleet of modern Dynamic Positioning (DP) class 1 and 2 vessels and a multinational mix of more than 300 professionals, NextGeo group offers a variety of services ranging from specialised consultancy to geophysical, geotechnical, environmental and marine archaeological surveys, potential Unexploded Ordnance (UXO) detection, removal and relocation, and support services for the implementation of offshore infrastructures (High-voltage direct current - HVDC submarine cables, offshore wind farms, etc.).

OUR MISSION AND VALUES

Our mission is to provide our customers with all the data, information and support they need to realise their projects in full awareness, with the highest quality and in total safety, from conception to completion and beyond. Ultimately, we aim to offer our expertise and specialised contribution to the realisation of key assets and infrastructures for the sustainable development of marine energy.

Our dream is to see a world in which safe, efficient, affordable and sustainable energy supply is accessible in a fair and peaceful manner worldwide. Our visionary project is to become one of the largest and most excellent international group in the field of marine geosciences, and to have a significant impact and role in realising this dream.

OUR HISTORY

NextGeo group was born in late 2014 from the union between successful Italian entrepreneurs and a close-knit group of professionals. NextGeo group is part of Marnavi group, a historic Italian ship-owning group operating globally, mainly in the petrochemical industry.

From the outset, the operational headquarters of the parent company Next Geosolutions Europe SpA was located in Naples, where it is still located to this day. Over the years, the Group has expanded its activities through a process of internationalisation: in 2017, it entered the UK market by acquiring the UK company RSM Submarine Consulting, dedicated to personnel selection and subsequently converting it into a marine survey company with a consequent change of name to Next Geosolutions Ukcs Ltd, now operating from the Norwich office. Over the years, this company has maintained its initial characteristics, continued with the recruitment of specialised personnel and diversified its activities, integrating with the parent company Next Geosolutions Europe SpA and starting to carry out surveying activities, mainly in the North Seas.

This international expansion was a turning point in the Group history and strategy, as it has since become one of the fastest-growing international maritime survey contractors and offshore construction support service providers, one of the leading operators in the sector.

In order to secure new development opportunities, the management has over the years implemented an investment strategy aimed at strengthening the asset base. In September 2020, NextGeo group took on the guise of a shipping group by acquiring, through Seashiptanker Srl, the first ship of the fleet, now called NG Worker.

Subsequently, in 2020, the Group was awarded a major contract in the Netherlands for the execution of the "Hollandse Kust West Alpha and Beta" and "Ijmuiden Ver Alpha, Beta and Gamma" projects, with the Dutch state company Tennet Bv and, also in order to better cover the relevant market, in 2021 it decided to acquire a company located in that country, now called Next Geosolutions Bv, with its operational headquarters in Ijmuiden.

In the years the followed, the Group continues its expansion by:

- recruiting specialised personnel in key business roles, strengthening the operational and commercial area;
- investing in ships, vessels and equipment to diversify the segments of operations within the relevant business;
- the consolidation of relationships with important players in the energy sector.

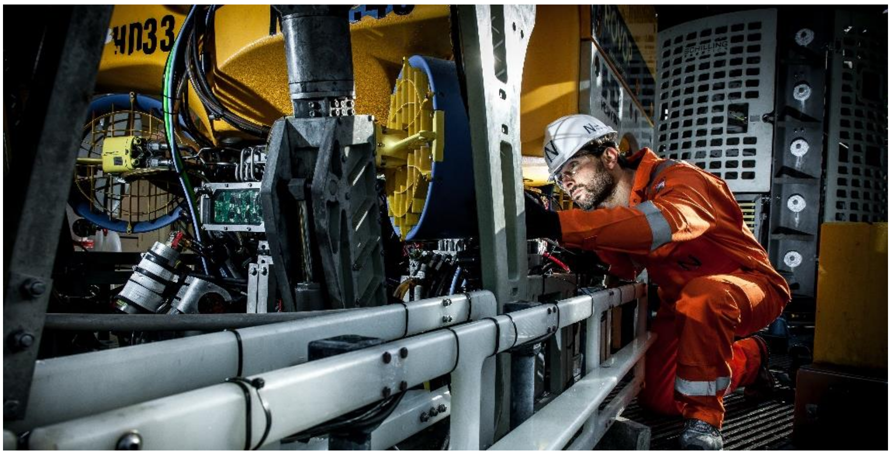
In August 2022, as part of the development process along the value chain, the Group established the "NextPoli" joint venture and purchased a vessel for nearshore activities, thereby insourcing the nearshore activities in the Mediterranean areas, which had previously been outsourced.

In December 2023, work was completed on the conversion of a vessel purchased in 2022, with the implementation of a drilling system, which allowed the vessel to be reclassified as an offshore drilling vessel and to implement diversification into the deep geotechnical sector.

In May 2024, in order to strengthen its geophysical and environmental survey activities in coastal areas, the Group acquired 100% of the company Subonica Srl, specialising in underwater survey and inspection services using Remotely Operated Vehicles (ROV) Observation Class, which are better suited to operate at shallow depths.

On 22 May 2024, in order to consolidate its position among market leaders and to finance future development projects in a constantly evolving sector, the Group completed the listing process on Euronext Growth Milan. Trading of the ordinary shares of the parent company Next Geosolutions Europe SpA on the Euronext Growth Milan (EGM) market, a Multilateral Trading Facility (MTF), organised and managed by Borsa Italiana, began on that date.

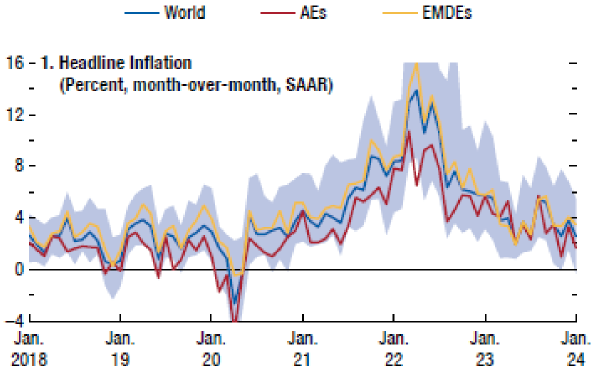
Thanks to the expertise, experience and reputation of its team and the high quality and efficiency of its ships and equipment, notwithstanding its relatively recent establishment, NextGeo group has been and continues to be successfully involved in the realisation of most of the major energy infrastructure projects in the EMEA region.



THE MACROECONOMIC SCENARIO

The global economy remains remarkably robust, with stable growth and inflation back on target. The path has been eventful, ranging from the supply chain disruptions brought about by the pandemic, the global energy and food crisis triggered by Russia invasion of Ukraine, and, lastly, the significant spike in inflation, followed by a globally synchronised tightening of monetary policy.
Yet, in spite of many gloomy predictions, the world has avoided recession, the banking system has proved largely resilient, and the major emerging market economies have not suffered any sudden setbacks. Moreover, the surge in inflation - despite its severity and the associated cost-of-living crisis - has not triggered an uncontrolled price-wage spiral.
In contrast, almost as quickly as it went up, global inflation went down.
On a year-on-year basis, global growth bottomed out at 2.3% at the end of 2022, shortly after the median inflation peak of 9.4% was reached in mid-2022. According to the most up-to-date projections of the International Monetary Fund, growth is estimated at 3.2% for 2024 and 3.3% for 2025, with median headline inflation falling from 2.8% at the end of 2024 to 2.4% at the end of 2025.

Declining inflation (and expectations)
The overall decline in inflation in 2022 reflects the fading of relative price shocks, especially energy shocks, and the decrease of core inflation. The decline in energy prices reflects not only the increase in global supply, but also the effects of restrictive monetary policies. Monetary tightening by the central banks of the major advanced economies during 2022-23 may have contributed strongly to lower energy prices due to the high degree of synchronisation and the associated effect on restraining global energy demand.
Core inflation declined due to the dampening of the transmission effects of past shocks to headline inflation and due to the easing of labour market pressures.
Short-term inflation expectations, which are an important transmission channel because of their implications for the determination of both wages and prices, declined towards target levels in both advanced economies and in emerging markets and developing economies.
Long-term inflation expectations have remained anchored, despite the series of major shocks since 2020 - with decisive communication and action by central banks to safeguard the credibility of their inflation targets - and have contributed little to recent movements in core inflation.



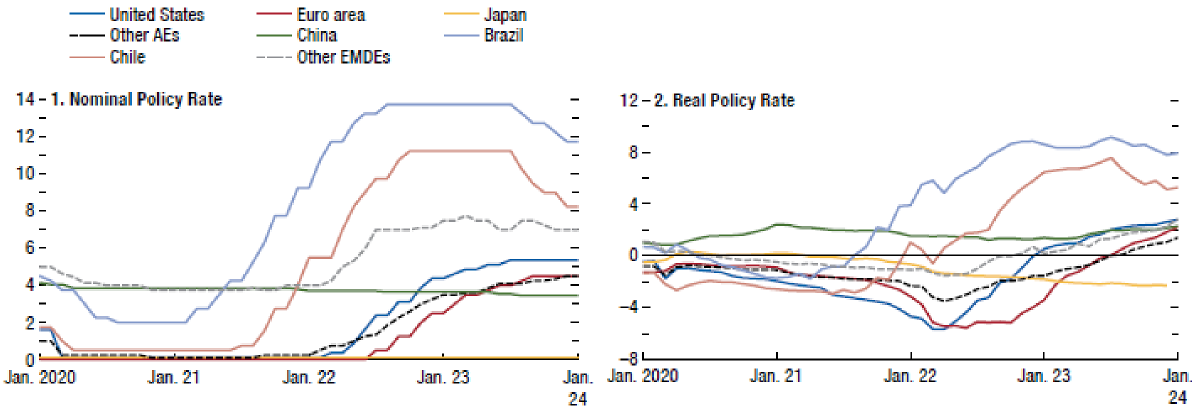
Interest rates are restrictive, but set to fall

To counteract rising inflation, the major central banks raised official interest rates to levels estimated to be restrictive.

As a result, mortgage costs increased and credit availability was generally limited, leading to difficulties for companies to refinance their debt, increased business failures and reduced business and residential investment in several economies. The commercial real estate sector, including office markets, is under particularly strong pressure in some economies, with rising defaults and lower investment and valuations, reflecting the combined effects of higher money costs and the spread of WFH since the pandemic.

However, despite the concerns, a global economic recession caused by a sharp rise in official rates did not materialise, for several reasons. Firstly, some central banks, including the European Central Bank and the Federal Reserve, raised their nominal interest rates after inflation expectations started to rise, resulting in lower real rates that initially supported economic activity. Secondly, households in the major advanced economies were able to draw on the substantial savings accumulated during the pandemic to limit the impact of higher borrowing costs on their spending. Thirdly, changes in the mortgage and housing markets in the pre-pandemic decade of low interest rates have limited the impact of the recent rise in reference rates on household consumption in several economies.

With inflation approaching targets, market expectations that interest rates will fall have generally contributed to a decline in long-term lending rates, rising stock markets and an easing of overall global financial conditions since last October, although financing is still more expensive than before the pandemic. With expectations of lower interest rates in advanced economies, interest in assets in emerging market and developing economies increased and sovereign spreads on risk-free government debt fell from their July 2022 peaks towards pre-pandemic levels.



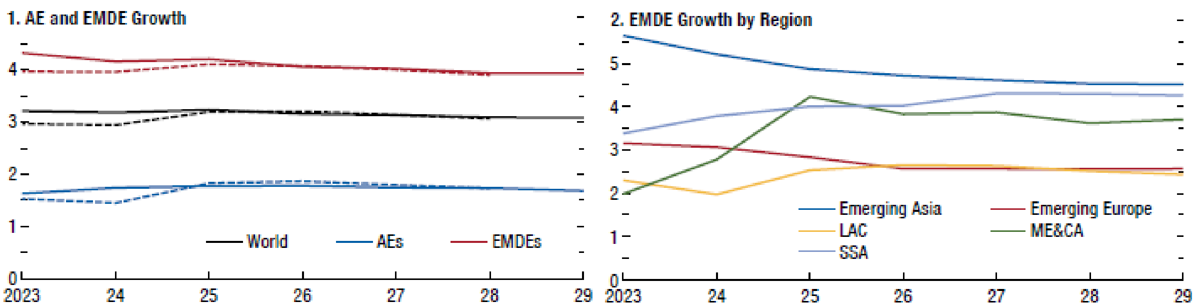
The outlook: steady growth and disinflation

The latest projections indicate that the global economy will continue to grow in 2024-2025 at a similar pace as in 2023, and that headline and core inflation will decline steadily.

The basic forecast for the global economy is based on a series of projections on commodity prices, interest rates and global fiscal policies:

- Commodity price projections: fuel commodity prices are expected to fall by an average of 9.7% in 2024, with oil prices dropping by about 2.5%.
- Monetary policy projections: with inflation set to continue falling towards its targets and long-term inflation expectations remaining anchored, it is generally expected that key central bank interest rates in the major advanced economies will start falling in the second half of 2024.
- Fiscal policy projections: governments in advanced economies are expected to tighten fiscal policy in 2024 and, to a lesser extent, in 2025-26.

On an annual basis, as mentioned above, the International Monetary Fund estimates global growth at 3.2% for 2024 and 3.3% for 2025. However, the projection for global growth in 2024 and in 2025 is below the historical annual average (2000-2019) of 3.8 per cent, reflecting restrictive monetary policies and the withdrawal of fiscal support, as well as low core productivity growth. Advanced economies are expected to see slightly higher growth, with the increase mainly reflecting a recovery in the euro area from low growth in 2023, while emerging markets and developing economies are expected to experience stable growth through 2024 and 2025, with regional differences.



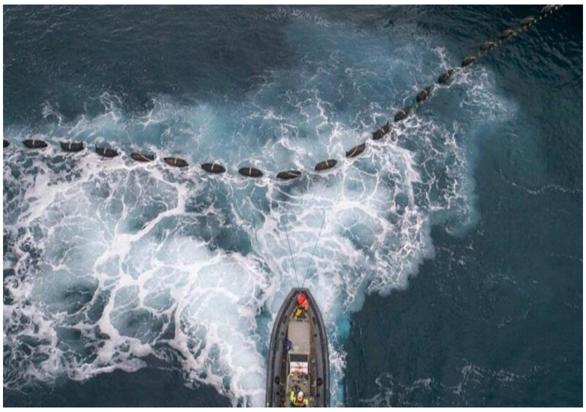
THE REFERENCE MARKET

The business sectors in which the Group mainly operates continue to be submarine power connections via high-voltage cables (so-called “Interconnectors”), offshore renewable energies (where wind power production predominates, with the so-called “Offshore Wind Farms”) and the traditional offshore Oil & Gas market. In addition to the above-mentioned sectors, although without any specific continuity, NextGeo also operates in the market for environmental and/or archaeological studies in marine habitats and in the defence sector.

In this sector, the Group carries out different survey activities (geophysical, geotechnical, unexploded ordnance - UXO, environmental, etc.), preliminary to the installation of the various infrastructures, which can be performed nearshore (in shallow waters, near the coast), offshore (in the open sea, far from the coast) and sometimes, for some activities, also onshore (on land).

In a global landscape where energy security and infrastructure efficiency play a crucial role, government initiatives continue to be increasingly oriented towards strengthening strategic infrastructures, such as submarine interconnection networks (represented by the so-called Interconnector cables).

These connections, which are essential to ensure the most efficient distribution and exchange of electricity between countries, are strategic elements for the sustenance and expansion of energy networks. The growing demands imposed by the energy transition have made this sector a magnet for considerable investment flows, which aim both to upgrade existing infrastructure and to reduce congestion through increased international connections.



Specifically, the European Interconnector market continues to expand. Some 49,000 km of submarine cables are expected to be laid by 2034, generating a total market of almost EUR 55 billion (of which almost EUR 27 billion between 2024-2029) by estimating the Engineering, Procurement, Construction & Installation value. The projected CAGR for the five-year period 2024-2029 stands at 26.1%.
In line with developments in previous years, the areas particularly affected by the installation of these cables continue to be the seas of Northern Europe and the Mediterranean. The positive forecast trend in this market segment confirms the development trends expressed by this sector in the recent past and the concrete interest shown by all players in the sector.

In fact, in Europe, submarine interconnections are multiplying at a remarkable rate.
The UK, for example, currently has eight operational interconnections with a total capacity of 9.06 GW, including projects such as IFA, Moyle, BritNed, East-West, Nemo, IFA2, NSL and Viking Link. These are complemented by others, currently under development, such as the 1.4 GW NeuConnect, which has already received regulatory approvals and started tendering procedures.

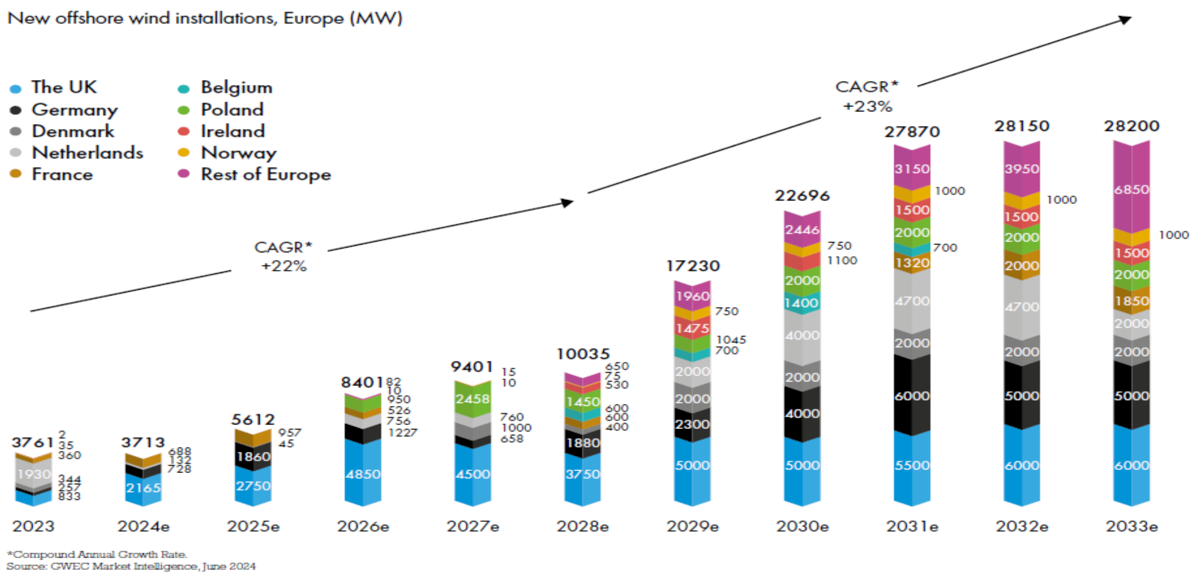
In Italy, Terna recently approved its development plan for the period 2024 - 2028, with a planned investment of EUR 16.5 billion, marking a 65% increase over the previous plan 2021 - 2025. The main areas of investment include a significant commitment to strengthening submarine interconnections, a crucial sector for the modernisation of the national electricity grid and the integration of renewable energy sources.
The submarine cable projects included in the plan are a key component in improving the efficiency and resilience of the electricity grid. The Tyrrhenian Link, which will connect Sardinia, Sicily and Campania, is one of the main investments, aimed at optimising the interconnection between these regions and supporting the integration of renewable energies. Similarly, the Adriatic Link, an underwater connection between the Marches and Abruzzo, will contribute to enhancing Italy internal infrastructure by improving electricity distribution. In addition, the Sa.Co.I. 3 project envisages a submarine connection between Sardinia, Corsica and the Italian mainland, aimed at improving connectivity in the Mediterranean region.

The growing demand for increasingly efficient electricity grids, capable of handling ever-expanding energy volumes and ensuring optimal energy distribution to major national and international grids, is also strongly linked to the integration of offshore-generated renewable energy.

In fact, parallel to the Interconnector sector, the offshore renewable energy sector is also expanding at unprecedented rates, fuelled by growing international interest and ambitious development programmes, and is driven by the continuous and mass installation of new offshore wind farms.
This “young” industry has seen a remarkable acceleration in recent years and continues to show historical growth trends, especially in the Offshore Wind Farm sector, with Europe remaining one of the main markets, holding a 45% share (i.e. 34 GW) of the total installed capacity globally.

The value of the European Capex foreseen for the development of Offshore Wind Farms in the five-year period 2024-2029 is estimated to reach almost EUR 190 billion, with a planned installation (up to 2034) of almost 5,000 offshore turbines and with the UK, Germany and the Netherlands continuing to represent the areas of greatest interest. These forecasts offer a clear view of the health of the market, which continues to garner heated interest from different entities (governments, developers, organisations and international bodies). Within this macro-market, the submarine cable segment of Offshore Wind Farms continues to be of significant interest to the company business. This segment represents the vital infrastructure for the proper connection of offshore wind farms with the mainland, so as to allow the energy generated to be efficiently fed into the grid.
The European Offshore Wind Farm submarine cable market, with reference to installation activities alone, is estimated to reach EUR 31 billion by 2034 (and approximately EUR 12.5 billion between 2024-2029), showing a CAGR for the five-year period 2024-2029 of 34.5%.
The North American market is also showing significant development plans recently, reporting a projected Capex value for Offshore Wind Farm development in the five-year period 2024-2029 of EUR 66 billion. On a broader time horizon, the Opex market, related to the operation and maintenance of offshore infrastructures, is also significant and is estimated to reach EUR 20 billion by 2024.

The Global Wind Energy Council (GWEC), in its "*Global Offshore Wind Report 2024*", argues that offshore wind is a "key technology" in the global energy transition, as a mature, competitive and globally scalable energy source. Specifically, it is estimated that the average annual installation at European level could be around 4-5 GW until 2025, to then grow and reach an average annual installation of around 10 GW from 2027 onwards, thus generating new installed power totalling 161 GW between 2024 and 2033, as can be seen in the graph below.



Within the European scenario, the United Kingdom, which remains the leading nation, continues to increase its installed capacity: with ambitious expansion plans supported by governmental drives, it is in fact continuing to expand its capacity through the development of extremely relevant projects, such as the “Dogger Bank” Offshore Wind Farm, which, once operational, with over 3.6 GW of installed capacity, will represent the largest wind farm in the world; followed by Germany, which has announced plans to allocate 8 GW of new capacity by 2024, and is also accelerating its energy transition plans, planning significant investments in port infrastructure and transmission networks to support the future of offshore wind. The Netherlands, Denmark and France (with 3.5 - 2.5 - 2 GW of installed capacity respectively) are also following similar lines, with expansion projects for both fixed and floating wind power, helping to expand Europe share of offshore wind power.
The success of offshore wind power in Europe is also closely linked to the political and regulatory framework adopted by national governments and European institutions. In particular, in May 2024 the European Commission introduced the *“Net-Zero Industry Act*” *(NZIA)*, with the aim of creating favourable conditions for the development of clean technologies and the expansion of renewable energies, supporting generation “made in Europe” and improving access to financing.

Along with the increasing focus on renewable energy sources, the offshore oil and gas sector also continues to hold a prominent position in the global energy scenario. Exploration activities and the development of subsea pipelines remain crucial to meeting the world energy demand, although there is growing interest in more sustainable solutions. In recent years, the Oil&Gas industry has overcome phases of uncertainty due to macroeconomic factors, becoming attractive again for new investments and expansion projects, also driven by a gradual increase in oil prices, as shown in the chart below.

Oil price trends in US Dollars

Despite the challenges, it is clear that, for the foreseeable future, oil and gas will retain a leading role in global energy, accompanying the renewables sector in a gradual transition to a more diversified and sustainable energy future.

SIGNIFICANT EVENTS DURING THE FIRST HALF OF 2024

Below please find the significant key events of the first half of 2024.

- In February 2024, the contract for the purchase of a new, advanced Remotely Operated Vehicle (ROV) system was finalised. The total investment of USD 8.2 million includes (i) a 150-horsepower Schilling Heavy Duty

(HD) ROV equipped with a Tether Management System (TMS), capable of operating down to a depth of 4,000 metres, (ii) highly advanced Dynacon and Lidan Launch and Recovery Systems (LARS), (iii) as well as surface units for control, piloting and operations management. As of 30 June 2024, advance payments of EUR 3.0 million had been made against this investment.

- In March 2024, the Group commenced operations for the construction of the offshore wind farm off the coast of Courseulles-sur-Mer (Parc éolien en mer du Calvados) in France Normandy region. The wind farm in question covers an area of 45 km² and has a capacity of 450 MW. This project, awarded by Eoliennes Offshore du Calvados SAS, is implemented by the Group on behalf of Saipem SpA.

- In March 2024, the Group began its activities in connection with the "Sa.Co.I. (Sardinia-Corsica-Italy) 3" project for the construction of the HVDC submarine cable connecting the Italian peninsula, Sardinia and Corsica, with a length of more than 400 km and a capacity of approximately 400 MW (project awarded by Terna SpA and implemented by the Group on behalf of Saipem SpA).

- In May 2024, in order to strengthen its geophysical and environmental survey activities in coastal areas, the Group acquired, with a total investment of EUR 530,000 (of which EUR 318,000 paid up to 30 June 2024), 100% of the capital of the company Subonica Srl, with registered office in Naples (Italy), specialising in underwater surveying and inspection services using Remotely Operated Vehicles (ROVs). The assets held by this company include an approximately 10-metre coastal vessel and a fleet of 3 Observation Class ROVs, which, given their smaller size (compared to the Work Class ROVs already owned by the Group), are more suitable for operating in coastal areas and at shallow depths.

- In May 2024, in line with the company fleet expansion strategy, the amount of EUR 3.2 million was deposited in escrow for the purchase of a second Survey vessel (Dynamic Positioning 2 - DP2 Special Purpose Vessel) of over 60 metres, which will be named NG Surveyor.

- In June 2024, the Group began its activities on one of the most important EMEA interconnections, with the start of the "GreatSea Interconnector" project, for the construction of the high-voltage direct current (HDVC) electricity interconnector linking Greece and Cyprus via one of the longest and deepest submarine cables in the world, reaching depths of over 3,000 metres, covering 900 km and enabling the exchange of up to 2,000 MW of electricity.

- During the first half of the year, the Group also carried out work on the last interconnection (the so-called West Branch, with a capacity of about 1,000 MW and a length of about 480 km) of the broader Tyrrhenian Link project, for the HVDC connection between Sardinia and Sicily (a project awarded by Terna SpA and implemented by the Group on behalf of Nexans AS). This project, initiated in earlier periods, is currently in an advanced state of completion.

The results for the first half of 2024 confirm the positive performance of previous years and allow us to look to the future with optimism, in a market that still shows interesting development prospects.

Listing on Euronext Growth Milan

The first half of 2024 was characterised in particular by the completion of the listing process of NextGeo group on Euronext Growth Milan (EGM), a multilateral trading facility (MTF) organised and managed by Borsa Italiana. On 29 March 2024, the Shareholders' Meeting of the parent company Next Geosolutions Europe SpA approved the submission of the application for admission of the Company ordinary shares to trading on EGM. For the purpose of the Initial Public Offering (IPO) transaction, a capital increase was resolved to be realised through the issuance of new ordinary shares.

On 20 May 2024, Borsa Italiana SpA arranged for the listing of the ordinary shares of Next Geosolutions Europe SpA. On 22 May 2024, trading of ordinary shares on EGM began, with the subscription of 8,000,000 new ordinary shares at the initial placement price of EUR 6.25 per share, which enabled the Group to raise EUR 50,000,000 and position itself as the company with the highest market capitalisation listed on EGM.

Here are the comments of Attilio Ievoli (Chairman of the Board of Directors of Next Geosolutions Europe SpA), Giovanni Ranieri (CEO and Managing Director of Next Geosolutions Europe SpA) and Giuseppe Maffia (CFO and Managing Director of Next Geosolutions Europe SpA), at the conclusion of the first day of trading of the Company ordinary shares on Euronext Growth Milan:

Attilio Ievoli: *"Today the stock market welcomed us enthusiastically, investors showed a strong interest and appreciation for the company. We are convinced that the listing on Euronext Growth Milan can be a further significant step of growth. For us, this result is a boost that encourages us to look forward to our ambitious future goals".*

Giovanni Ranieri: "Of course we are thrilled by t*his absolutely remarkable result on a day full of of emotions like today. A very positive first day that marks the beginning of what, we imagine, will be a path full of important milestones for everyone. Today we open a new chapter in the company history, and I would like to thank our employees for their dedication and the important work they have done so far, the customers who have always believed in us, the investors who have supported this new adventure, and the entire team of advisors who have accompanied us through the listing process".*

Giuseppe Maffia: *"The IPO and the success of this day reward the efforts made by everyone in the development of the company. The results achieved are the result of the combination of expertise in the shipping industry, know-how in the field of geosciences, the availability of exclusive assets and the human value of the people who day in and day out contribute to building our successes. Today we reach an important milestone, which marks the beginning of a new phase in our exceptional growth path".*

SUMMARY DATA AS OF 30 JUNE 2024

The following tables show: (i) the reclassified income statement as of 30 June 2024, compared to 30 June 2023, (ii) the reclassified balance sheet by sources and uses as of 30 June 2024, compared to 31 December 2023, (iii) cash flows from operating, investing and financing activities as of 30 June 2024, and (iv) capital expenditures as of 30 June 2024, compared to the same data for 30 June 2023.

For information on the effects of seasonality on the Group business, which is useful for analysing the half-yearly results and the economic, equity and financial indicators, please refer to the relevant section of the Notes to the Financial Statements.

Reclassified income statement

Values in Euro units	1H 2024	%	1H 2023	%	Change	Ch.%
Revenues from sales and services	190,788,890	183.3%	28,888,317	40.4%	161,900,573	560.4%
In-house production	(90,283,620)	-86.7%	40,670,746	56.9%	(130,954,366)	-322.0%
Other revenues and income	3,595,728	3.5%	1,890,336	2.6%	1,705,392	90.2%
Value of production	**104,100,998**	**100.0%**	**71,449,399**	**100.0%**	**32,651,599**	**45.7%**
External operating costs	68,360,243	65.7%	47,031,998	65.8%	21,328,245	45.3%
Costs for personnel	7,250,252	7.0%	5,223,372	7.3%	2,026,880	38.8%
Sundry operating charges	101,580	0.1%	52,498	0.1%	49,082	93.5%
Production costs	**75,712,075**	**72.7%**	**52,307,868**	**73.2%**	**23,404,207**	**44.7%**
EBITDA	**28,388,923**	**27.3%**	**19,141,531**	**26.8%**	**9,247,392**	**48.3%**
Depreciation, Amortisation and Provisions	2,879,982	2.8%	2,390,064	3.3%	489,918	20.5%
EBIT	**25,508,941**	**24.5%**	**16,751,467**	**23.4%**	**8,757,474**	**52.3%**
Net financial expenses	644,269	0.6%	738,796	1.0%	(94,527)	-12.8%
Exchange gains (losses)	(99,014)	-0.1%	(82,913)	-0.1%	(16,101)	19.4%
Value adjustments to financial assets	-	0.0%	-	0.0%	-	N/A
Net financial result	**(743,283)**	**-0.7%**	**(821,709)**	**-1.2%**	**78,426**	**-9.5%**
Result before taxes	**24,765,658**	**23.8%**	**15,929,758**	**22.3%**	**8,835,900**	**55.5%**
Taxes	3,692,365	3.5%	1,829,503	2.6%	1,862,862	101.8%
Net result	**21,073,293**	**20.2%**	**14,100,255**	**19.7%**	**6,973,038**	**49.5%**

In the first half of 2024, the Group recorded an increase in production value of EUR 32,651,599 compared to the first half of 2023. This increase (+45.7%) confirms the Group solid development trend, also taking into account the significant growth realised in 2023 compared to previous periods.
In the first half of 2024, the Group was involved in several projects in the northern seas and the Mediterranean, including the offshore wind farm off the coast of Courseulles-sur-Mer (Parc éolien en mer du Calvados) in France Normandy region, with an area of 45 km² and a capacity of 450 MW. As part of this project, awarded by Eoliennes Offshore du Calvados SAS, the Group carried out activities on behalf of Saipem SpA. The collaboration with the Dutch state company Tennet Bv for the projects "Hollandse Kust West Alpha and Beta" and "Ijmuiden Ver Alpha, Beta and Gamma", which are part of the Dutch government broader plan to reach a total capacity of 21 GW of offshore wind energy by 2030, which started in 2020, continued. In addition, cooperation with TenneT Offshore GmbH (Germany) began within the framework of the "Poseidon" project for the expansion and grid connection of offshore wind farms in German territorial waters and the German Exclusive Economic Zone (EEZ). In the Mediterranean Sea, the Group was active in several projects to develop floating offshore wind farms with market players Copenhagen Offshore Partners (COP), 7 Seas Med Srl, and Ichnusa Wind Power Srl.

In the Interconnector market, in the first half of 2024 the Group continued to carry out the functional activities for the installation of many of the most important submarine electricity interconnection infrastructures in Europe. The various projects in which the Group was involved during the six-month period included activities related to the “Sa.Co.I. (Sardinia-Corsica-Italy) 3” project for the construction of the HVDC submarine cable connecting the Italian peninsula, Sardinia and Corsica, with a length of more than 400 km and a capacity of approximately 400 MW (project awarded by Terna SpA and implemented by the Group on behalf of Saipem SpA). Functional activities were carried out for the construction of the last interconnection (so-called West Branch, Sicily-Sardinia) of the broader “Tyrrhenian Link” project, for the HVDC connection between Campania, Sardinia and Sicily (a project awarded by Terna SpA and implemented by the Group on behalf of Nexans AS). Activities were carried out as part of the “Eastern Green Link” project for the construction of the HVDC submarine cable between Scotland and England, with a length of 400 km and a capacity of 2 GW (project awarded by National Grid Electricity Transmission Plc). Lastly, in June 2024, the Group began its activities in the “GreatSea Interconnector” project, instrumental in the construction of the HDVC electricity interconnector linking Greece and Cyprus through one of the longest and deepest submarine cables in the world, reaching depths of over 3,000 metres, covering 900 km and allowing the exchange of up to 2,000 MW of electricity.

In addition to the growth in the value of production, the profit and loss account data show that costs as a percentage of the value of production remained substantially stable at 72.7% as of 30 June 2024. This confirms, in a favourable market environment, the soundness of the business model. In a rapidly changing environment, this result is the combination of factors such as the careful planning of activities, the significant investments made, the internalisation of certain key resources, the propensity for innovation, and the experience and skills developed by the Group.

EBITDA amounted to EUR 28,388,923, an increase of EUR 9,247,392 (+48.3%) compared to 30 June 2023. The significant increase in the value of production (+45.7%) and the simultaneous reduction in the ratio of costs to the value of production (-0.5%) resulted in a slight improvement in the EBITDA margin from 26.8% as of 30 June 2023 to 27.3% as of 30 June 2024.

The figures in the table above show an increase in depreciation, amortisation and provisions compared to 30 June 2023, due to the significant investments made in the second half of 2023 and the first half of 2024. Without taking into account the bad debts of EUR 1,087,737 as of 30 June 2023, the increase in depreciation, amortisation and provisions at 30 June 2024 amounted to EUR 1,577,655 (+121% compared to 30 June 2023), while the ratio of depreciation, amortisation and provisions to the value of production increased from 1.8% at 30 June 2023 to 2.8% at 30 June 2024.

EBIT amounted to EUR 25,508,941, an increase of EUR 8,757,474 compared to 30 June 2023, while the EBIT margin increased from 23.4% as of 30 June 2023 to 24.5% as of 30 June 2024.

Financial management shows a reduction in net financial expenses attributable to the significant improvement in the net financial position, determined by the significant cash flows generated by operating activities and the cash raised through the EGM listing.

The pre-tax profit increased from 22.3% as of 30 June 2023 to 23.8% as of 30 June 2024, while the net profit amounted to EUR 21,073,293 and was equal to 20.2% of the value of production.

Reclassified Balance Sheet

Values in Euro units	1H 2024	%	2023	%	Change	Ch.%
Inventories	34,340,895	33.0%	123,932,543	83.4%	(89,591,648)	-72.3%
Advances	6,750,000	6.5%	116,601,712	78.5%	(109,851,712)	-94.2%
Trade receivables	41,879,007	40.2%	39,564,807	26.6%	2,314,200	5.8%
Trade payables	42,290,994	40.6%	29,176,486	19.6%	13,114,508	44.9%
Trade working capital	**27,178,908**	**26.1%**	**17,719,152**	**11.9%**	**9,459,756**	**53.4%**

Other current assets	9,209,691	8.8%	8,476,197	5.7%	733,494	8.7%
Other current liabilities	11,915,918	11.4%	6,471,800	4.4%	5,444,118	84.1%
Net working capital (NWC)	**24,472,681**	**23.5%**	**19,723,549**	**13.3%**	**4,749,132**	**24.1%**
Fixed assets	55,838,749	53.6%	42,367,888	28.5%	13,470,861	31.8%
Other non-current assets (liabilities)	(2,304,455)	-2.2%	(3,155,657)	-2.1%	851,202	-27.0%
Net invested capital (NIC)	**78,006,975**	**74.9%**	**58,935,780**	**39.7%**	**19,071,195**	**32.4%**
Net financial debt	(42,423,602)	-40.8%	9,706,389	6.5%	(52,129,991)	-537.1%
Shareholders' equity	120,430,577	115.7%	49,229,391	33.1%	71,201,186	144.6%
Sources of financing	**78,006,975**	**74.9%**	**58,935,780**	**39.7%**	**19,071,195**	**32.4%**

The reclassified balance sheet shows a balanced capital and financial structure as of 30 June 2024, in the context of the solid growth achieved by the Group in the six months ended on that date. Inventories as a percentage of value of production decreased from 83.4% as of 31 December 2023 to 33.0% as of 30 June 2024, mainly due to the completion of work on major contracts in progress as of 31 December 2023. The Days Inventory Outstanding (*DIO*) decreased from 300 days as of 31 December 2023 to 59 days as of 30 June 2024.

Trade receivables increased from EUR 39,564,807 as of 31 December 2023 to EUR 41,879,007 as of 30 June 2024 (+5.8%), and the average days sales outstanding (DSO) increased from 96 days as of 31 December 2023 to 72 days as of 30 June 2024, confirming the quality of the Group customer portfolio.

Payments on account, in line with the trend shown by inventories, decreased significantly as a result of the completion of work on major contracts in progress as of 31 December 2023. The average payment days for trade payables (Days Payable Outstanding - DPO) were substantially in line with 31 December 2023, showing a slight increase from 97 days as of 31 December 2023 to 101 days as of 30 June 2024.

The difference between other current assets and other current liabilities went from a positive balance of EUR 2,004,397 as of 31 December 2023 to a negative balance of EUR 2,706,227 as of 30 June 2024, mainly due to the increase in direct tax payables related to the timing of their payment.

Net working capital, as a result of the growth in the value of production, increased by EUR 4,749,132 (+24.1%) compared to 31 December 2023, remaining at levels (23.5% as a percentage of the value of production realised in the six-month period) that contribute to the generation of significant cash flows from operations and confirm the management attention to the management of working capital dynamics.

Fixed assets, as a result of the significant investments aimed at the expansion and improvement of the naval fleet, the important investments in equipment, as well as the investments functional to the realisation of the Initial Public Offering in the broader project of development of the Group activity, increased from EUR 42,367,888 as of 31 December 2023 to EUR 55,838,749 as of 30 June 2024 (+31.8%).

Net financial debt, as a result of the capital raised through the listing on EGM, the significant economic performance achieved during the six-month period, and the careful management of working capital, despite the considerable level of investments made, decreased by EUR 52,129,991, with financial assets exceeding financial liabilities by EUR 42,423,602 as of 30 June 2024.

Financial flows

Values in Euro units	1H 2024	%	1H 2023	%	Change	Ch.%
Financial flows arising from operating activity	18,410,902	17.7%	(200,207)	-0.3%	18,611,109	-9,295.9%
Financial flows arising from investing activity	(56,403,097)	-54.2%	(6,201,138)	-8.7%	(50,201,959)	809.6%
Financial flows arising from financing activity	47,308,960	45.4%	9,224,101	12.9%	38,084,859	412.9%

As mentioned above, the cash flow from operating activities benefited from the excellent economic performance achieved and the careful management of working capital, going from negative EUR 200,207 as of 30 June 2023 (mainly due to the dynamics of working capital at that date, taking into account that EBITDA in the comparative six-month period was EUR 19,141,531) to positive EUR 18,410,902 as of 30 June 2024.

The cash flow from investing activities, due to the completion of major investments in vessels and related equipment, the acquisition of the net assets of the wholly-owned subsidiary Subonica Srl and the investments required for the listing on EGM and the use of part of the capital raised from the listing in time deposits, absorbed financial resources of EUR 56,403,097 in the first six months of 2024. Without taking into account the investment in time deposits of part of the cash raised during the IPO, the cash flow absorbed by investing activities amounted to EUR 16,403,097 (15.76% of the value of production), an increase of EUR 10,201,959 compared to the six-month period ended 30 June 2023.

Financial management, thanks to the capital raised through the listing on EGM, net of repayments of short-term advances and medium- to long-term loans made during the six-month period, generated resources of EUR 47,308,960.

Investments

Values in Euro units	1H 2024	%	1H 2023	%	Change	Ch.%
Intangible fixed assets	4,124,793	4.0%	575,397	0.8%	3,549,396	616.9%
Tangible fixed assets	11,733,512	11.3%	5,647,730	7.9%	6,085,782	107.8%
Financial fixed assets	40,020,000	38.4%	23,108	0.0%	39,996,892	173086.8%
Acquisition of subsidiaries net of cash and cash equivalents	525,438	0.5%	-	0.0%	525,438	N/A
Total investments	**56,403,743**	**54.2%**	**6,246,235**	**8.7%**	**50,157,508**	**803.0%**
Financial assets (time deposits)	(40,000,000)	-38.4%	-	0.0%	(40,000,000)	N/A
Total normalised investments	**16,403,743**	**15.8%**	**6,246,235**	**8.7%**	**10,157,508**	**162.6%**

Capital expenditure in the first half of 2024 totalled EUR 56,403,743, an increase of EUR 50,157,508 compared to the first half of 2023 when it amounted to EUR 6,246,235 (or 8.7% of the value of production). Without taking into account the investment of part of the cash raised through the IPO in time deposits, investments as of 30 June 2024 amounted to EUR 16,403,743 and represented 15.8% of the value of production, a significant increase compared to 30 June 2023.
The significant investments in the first half of 2024 confirm the Group commitment to the realisation of future development plans. Investments in intangible assets mainly consist of expenses for listing on the EGM and improvements on chartered vessels. Capital expenditure on tangible assets mainly refers to advances paid for the purchase of the NG Surveyor and the 150-horsepower Schilling Heavy Duty (HD) ROV, improvements to Group-owned vessels, and the purchase of specialised equipment. Investments in financial assets mainly refer to the use of part of the cash raised through the investments of the listing transaction in time deposits.

NET FINANCIAL DEBT

Details of the Net Financial Debt as of 30 June 2024, compared to 31 December 2023, are shown below.

Values in Euro units	1H 2024	%	2023	%	Change	Ch.%
Cash and cash equivalents	(27,243,503)	-26.2%	(17,774,724)	-12.0%	(9,468,779)	53.3%
Financial assets not constituting fixed assets	-	0.0%	-	0.0%	-	N/A
Current financial receivables	(40,014,527)	-38.4%	(14,527)	0.0%	(40,000,000)	275,349.3%
Current financial payables	10,813,837	10.4%	10,877,167	7.3%	(63,330)	-0.6%
Net current financial debt	**(56,444,193)**	**-54.2%**	**(6,912,084)**	**-4.7%**	**(49,532,109)**	**716.6%**

Non-current financial receivables	(199,754)	-0.2%	(179,800)	-0.1%	(19,954)	11.1%
Non-current financial payables	14,220,345	13.7%	16,798,273	11.3%	(2,577,928)	-15.3%
Net non-current financial debt	**14,020,591**	**13.5%**	**16,618,473**	**11.2%**	**(2,597,882)**	**-15.6%**
Net financial debt	**(42,423,602)**	**-40.8%**	**9,706,389**	**6.5%**	**(52,129,991)**	**-537.1%**

Financial debt as of 30 June 2024 decreased by EUR 52,129,991 (-537.1%), with financial assets exceeding financial liabilities by EUR 42,423,602 at 30 June 2024. This result was achieved thanks to the significant capital raising realised with the listing transaction and the significant cash flow from operations, despite the considerable level of investments made in the first half of 2024.
Cash and cash equivalents increased from EUR 17,774,724 as of 31 December 2023 to EUR 27,243,503 as of 30 June 2024, an increase of EUR 9,468,779, current financial receivables amounted to EUR 40,014,527 and refer mainly to time deposits ongoing as of 30 June 2024, and, lastly, financial payables decreased overall (considering both the current and non-current portions) by EUR 2,641,258.

ECONOMIC, ASSET AND FINANCIAL INDICATORS

The following tables present the economic, equity and financial performance indicators deemed useful for a better understanding of the Group situation and of the performance and results of its operations.

Economic indicators

Values in Euro units	1H 2024	1H 2023	Change	Ch.%
EBITDA	28,388,923	19,141,531	9,247,392	48.3%
EBIT	25,508,941	16,751,467	8,757,474	52.3%
Net result	21,073,293	14,100,255	6,973,038	49.5%
EBITDA margin	27.3%	26.8%	0.5%	1.8%
Return on sales (ROS)	24.5%	23.4%	1.1%	4.5%
Return on investment (ROI)	32.7%	28.4%	4.3%	15.0%
Return on assets (ROA)	12.2%	7.2%	5.0%	69.6%
Return on equity (ROE)	17.5%	28.6%	-11.1%	-38.9%

Asset and financial indicators

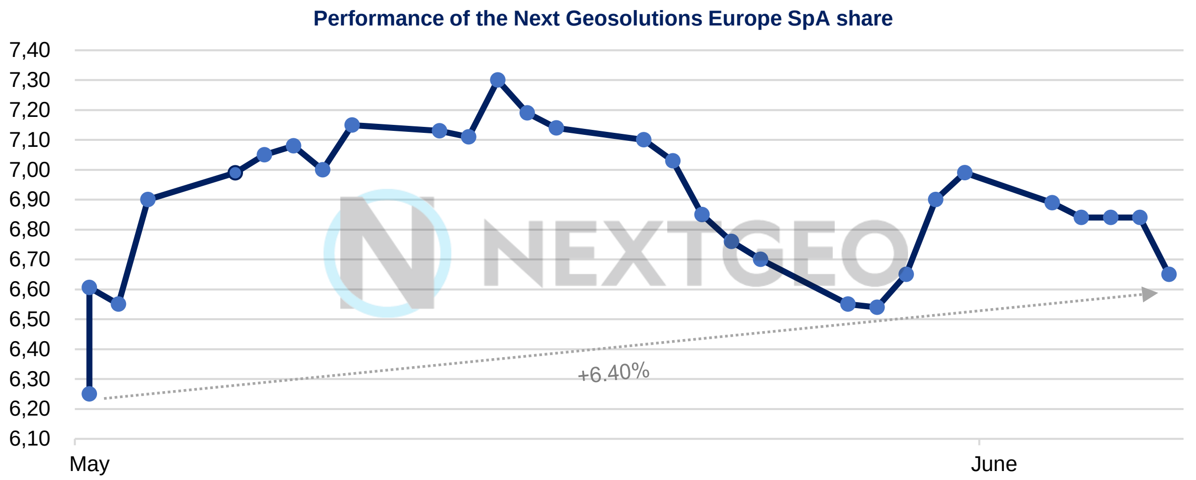
Values in Euro units	1H 2024	2023	Change	Ch.%
Net financial debt (NFD)	(42,423,602)	9,706,389	(52,129,991)	-537.1%
Shareholders' equity	120,430,577	49,229,391	71,201,186	144.6%
Current assets - current liabilities	80,916,874	26,635,633	54,281,241	203.8%
Cash ratio	2.13	1.16	0.96	82.9%
Fixed asset to equity capital margin	63,531,993	5,601,340	57,930,653	1034.2%
Long-term solvency ratio	2.12	1.13	0.99	87.6%
Fixed asset to equity capital and medium/long-term debt margin	80,916,874	26,635,633	54,281,241	203.8%
(Equity + long term liabilities) - fixed assets	2.42	1.61	0.81	50.4%
Financial dependence ratio	0.43	0.79	(0.36)	-46.1%
Financial independence ratio	0.57	0.21	0.36	172.4%
Days Sales Outstanding (DSO)	72	96	(23)	-24.5%
Days Payables Outstanding (DPO)	101	97	3	3.5%
Days Inventory Outstanding (DIO)	59	300	(241)	-80.2%

NFD/Shareholders' equity	(0.35)	0.20	(0.55)	-278.7%
Net financial expenses / NFD	0.01	0.03	(0.03)	-84.6%
NFI/EBITDA (Leverage)	(1.49)	0.24	(1.73)	-723.4%

PERFORMANCE OF SHARE LISTED ON EURONEXT GROWTH MILAN (EGM)

As of 30 June 2024, the official closing price of the Next Geosolutions Europe SpA share (Borsa Italiana Ticker - BIT: NXT) is EUR 6.65 (+ 6.4% compared to the price of Euro 6.25 per share fixed for the IPO). Market capitalisation is EUR 319,200,000.
Below are the data recorded by the share and its performance during the period from 22 May 2024 (IPO day) to 30 June 2024.

	Value	Date
IPO price	6.25	22 May 2024
Number of IPO shares	48,000,000	22 May 2024
IPO market capitalisation	300,000,000	22 May 2024
Official price at the close of the first half of 2024	6.65	30 June 2024
Number of shares at the close of the first half of 2024	48,000,000	30 June 2024
Market capitalisation at the close of the first half of 2024	319,200,000	30 June 2024



DETAILS OF ALTERNATIVE PERFORMANCE INDICATORS

In order to provide a better analysis of the results of operations, the Group has used some alternative performance indicators that are not identified as accounting measures under the national accounting standards dictated by the Italian Accounting Body - Organismo Italiano di Contabilità (OIC).

Below is a definition of the alternative performance indicators used in this report:

- In-house production: represents the sum of items "A2. Changes in inventories of work in progress, semi-finished and finished products", "A3. Changes in contract work in progress" and "A4. Increases in fixed assets for in-house work" in the income statement.

- External operating costs: represents the sum of items “B6. Costs for raw, ancillary, consumable materials and goods”, “B7. Costs for services”, “B8. Costs for leased goods” and “B11. Changes in inventories of raw, ancillary, consumable materials and goods” of the income statement.

- Gross operating margin (EBITDA): represents the operating result (EBIT) after depreciation, amortisation and provisions.

- Depreciation, amortisation and provisions: represents the sum of items “B10. Amortisation, depreciation and write-downs”, “B12. Provisions for risks” and “B13. Other provisions” of the income statement.

- Net financial expenses: represents the difference between items “C17. Interest and other financial charges” and “C16. Other financial income” of the income statement.

- Trade receivables: represents the sum of trade receivables recorded under items “CII1. Receivables from customers”, “CII2. Receivables from subsidiaries”, “CII3. Receivables from associates”, “CII4. Receivables from parent companies” and “CII5. Receivables from undertakings controlled by the parent companies”.

- Trade payables: represents the sum of trade payables entered under items “D7. Payables to suppliers”, “D9. Payables to subsidiaries”, “D10. Payables to associates”, “D11. Payables to parent companies” and “D11-bis. Payables to undertakings controlled by the parent companies”.

- Trade working capital: represents the sum of inventories and trade receivables, less advances and trade payables.

- Other current assets: represents the sum of receivables due within the next financial year other than those falling under “Trade receivables” and short-term accruals and deferrals

- Other current liabilities: represents the sum of payables due within one year other than those falling under “Trade payables” and short-term accruals and deferrals.

- Net working capital (NWC): represents the sum of trade working capital and other current assets less other current liabilities.

- Fixed assets: represents the sum of intangible, tangible and financial fixed assets (excluding financial receivables recorded as fixed assets).

- Other non-current assets/(liabilities): represents the sum of trade receivables due beyond one year, deferred tax assets and medium/long-term accrued income and prepaid expenses, net of the sum of provisions for risks and charges (including deferred tax liabilities), employee severance indemnities, medium/long-term trade payables, and medium/long-term accrued expenses and deferred income.

- Net capital invested (NCI): represents the sum of net working capital (NWC), fixed assets and other medium/long-term non-current assets/(liabilities).

- Net financial debt (NFD): represents the sum of amounts due to banks and other lenders, less the sum of financial receivables, financial assets not constituting fixed assets and cash and cash equivalents.

- Sources of financing: represents the sum of net financial debt (NFD) and shareholders’ equity.

- Current financial receivables: represents the sum of financial receivables due within one year classified under item “BIII2. Financial Fixed Assets - Receivables” of the Balance Sheet.

- Current financial payables: represents the sum of amounts due to banks and other lenders due within one year.

- Non-current financial receivables: represents the sum of financial receivables due beyond one year classified under item “BIII2. Financial Fixed Assets - Receivables” of the Balance Sheet.

- Non-current financial payables: represents the sum of amounts due to banks and other lenders due after one year.

- Return on sales (ROS): represents the ratio of the operating result (EBIT) to the value of production. Given the specificities of the business, it was deemed appropriate to use value of production instead of revenues from sales and services as the denominator.

- Return on investment (ROI): represents the ratio of operating profit (EBIT) to net capital invested (NCI).

- Return on assets (ROA): represents the ratio of operating profit (EBIT) to total assets.

- Return on equity (ROE): represents the ratio of net profit to equity.

- Current assets - current liabilities: represents the difference between net working capital and current financial debt.

- Cash ratio: represents the ratio of the sum of inventories, trade receivables, other current assets, current financial receivables and cash and cash equivalents to the sum of advances, trade payables, other current liabilities and current financial payables.

- Fixed asset to equity capital margin: represents the difference between equity and non-current assets (fixed assets, receivables due after one year, deferred tax assets and medium/long-term accrued income and prepaid expenses).

- Long-term solvency ratio: represents the ratio of shareholders’ equity to non-current assets (fixed assets, receivables due beyond one year, deferred tax assets and medium/long-term accrued income and prepaid expenses).

- Fixed asset to equity capital and medium/long-term debt margin: represents the difference between the sum of equity and non-current liabilities (provisions for risks and charges, deferred taxes, employee severance indemnities, payables due beyond one year and medium/long-term accrued expenses and deferred income) and non-current assets (fixed assets, receivables due beyond one year, deferred tax assets and medium/long-term accrued expenses and deferred income).

- (Equity + long term liabilities) - fixed assets: represents the ratio of the sum of shareholders’ equity and non-current liabilities (provisions for risks and charges, deferred taxes, employee severance indemnities, payables due beyond one year and medium/long-term accrued liabilities and deferred income) to non-current assets (fixed assets, receivables due beyond one year, deferred tax assets and medium/long-term accrued income and deferred expenses).

- Financial dependence ratio: represents the ratio of liabilities to third parties (advances, trade payables, other current liabilities, non-current liabilities, current financial liabilities and non-current financial liabilities) to total liabilities.

- Financial independence ratio: represents the ratio of shareholders’ equity to total liabilities.

- Days Sales Outstanding (DSO): the ratio of trade receivables to production value multiplied by 180.

- Days Payables Outstanding (DPO): the ratio of trade payables to production costs multiplied by 180.

- Days Inventory Outstanding (DIO): the ratio of inventories to value of production multiplied by 180.

- *Backlog*: the value of confirmed contracts/orders for which there is a binding agreement with the customer.
- *Soft backlog*: the value of contracts/orders negotiated but not yet fully confirmed.
- *Pipeline*: the value of potential orders that the Group expects to obtain in the future.

MAIN RISKS AND UNCERTAINTIES TO WHICH THE GROUP IS EXPOSED

FINANCIAL RISKS

Price risk
Price risk is the risk that downwards changes in sales prices and/or upwards changes in purchase prices of major supplies may adversely affect the Group expected results.

The target business is characterised by the demand for specialised skills and high professionalism, while there is no strong price competition (also due to the limited number of players in the sector). It should be noted, however, that, given the relevance of certain commodities (i.e. bunkers) for the reference sector, it is possible that significant unexpected changes in the prices of these commodities could negatively affect the company performance, particularly in the presence of long-term projects.

In order to monitor this risk, the sales structure and controlling, already at the stage of preparing offers, carefully assess the cost level in order to set prices that guarantee the achievement of the expected result targets. During the execution of orders, the development of costs, revenues and cash flows is analysed frequently in order to intercept any imbalances or deviations from management expectations in a timely manner.

Interest rate fluctuation risk
The risk of interest rate fluctuations is the risk that changes in market interest rates will affect the market value of the Group financial assets and liabilities, as well as its net financial expenses.

The Group analyses its exposure to the risk of interest rate fluctuation on a dynamic basis, simulating its financing requirements and estimated cash flows in different scenarios, on the basis of economic expectations, existing positions and potential refinancing.

The interest rate risk to which the Group is exposed arises mainly from long-term financial debts. These debts are mainly at variable rates and the Group does not have any particular hedging policies in place, considering this risk to be insignificant.

Exchange rate fluctuation risk
Exchange rate fluctuation risk is the risk that changes in foreign currency exchange rates with respect to the functional currency, represented by the Euro, may negatively affect the Group economic performance and cash flows.

NextGeo operates internationally and is therefore exposed to risks arising from fluctuations in the exchange rates of the foreign currencies in which certain transactions are settled. This risk arises in the event that the counter-value in euros of foreign currency sales transactions decreases or increases the counter-value in euros of foreign currency purchase transactions, preventing the desired margin from being achieved.

Exchange rate trends are monitored both locally and centrally by the finance department with the aim of intercepting potential risk situations and activating immediate action to mitigate the effects. The management, in order to limit this risk, tries to maintain the foreign currency balance wherever possible.

At present, also taking into account the limited historical economic and financial impact of exchange rate differences, the Group does not implement any particular hedging policies.

Credit risk
Credit risk is the Group exposure to potential losses arising from the non-performance of the obligations assumed by the counterparties.

The historical data do not show any significant credit losses and the customer counterparties are companies of high standing and proven reliability. The sector is not characterised by high volatility or other cyclical imbalances. Therefore, the risk is assessed as low.

The Group favours relations with operators with whom important relationships of trust have been established over time or who in any case have a high reputation, carefully analysed by the commercial and credit department.

Collections and any level of overdue receivables are carefully and periodically monitored by the credit department with the support, where necessary, of the legal department and external corporate counsel.

Liquidity risk
Liquidity risk is the risk associated with the unavailability of financial resources necessary to meet short-term payment commitments to commercial or financial counterparties within the established terms and deadlines. The main factors determining the Group degree of liquidity are, on the one hand, the resources generated or absorbed by operating and investing activities, and, on the other, the maturity and renewal terms of debt or the liquidity of financial investments and market conditions.
The Group manages liquidity risk through tight control of the components of cash and cash equivalents, credit lines, operating working capital (in particular, trade receivables and trade payables) and loans.

The Group is committed to maintaining a financial structure that ensures an adequate level of liquidity, a balance between sources of financing and uses of capital, and allows for the cost of money to be minimised, without compromising the short-term balance of the treasury and avoiding critical issues and tensions in current liquidity.

Risk of changes in cash flows
The risk of changes in cash flows is the risk that unforeseen/unpredictable events may lead to a negative change in actual cash flows compared to management expectations.

Contract projects and activities carried out at sea (particularly in the sector in which the Group operates) are characterised by considerable operational and management complexities and are influenced by numerous exogenous variables (technical/technological difficulties, weather conditions, etc.) that could compromise expected margins and lead to unexpected changes in cash flows.

The controlling department closely and constantly monitors the progress of orders in order to intercept any risk situations and develop, in consultation with the relevant corporate departments, the appropriate corrective actions.

Fiscal risk
The Group is subject to the taxation envisaged by Italian tax regulations and by those of the countries in which it operates and, therefore, is exposed to the consequences of any unfavourable changes thereto and/or possible changes in orientation, by the tax authorities or jurisprudence, with reference to the relative application and/or interpretation. Moreover, the continuous evolution of the legislation itself and its interpretation by the administrative and judicial bodies in charge, which may arrive at different positions from those adopted by the Group, constitute further elements of particular complexity.

The Group Italian companies, in order to determine their taxable income, benefit from both the facilitation provided by Article 4, paragraph 1, of Italian Law Decree no. 457/1997 (as amended by Article 13, paragraph 1, of Italian Law No. 488/1999) called “international register” and from the optional flat-rate taxation regime called “tonnage tax” provided by Articles 155 to 161 of the Italian Consolidated Income Tax Act (TUIR).

Any changes in the regulatory framework described above, including, for example, the non-renewal - within the tax regulations - of the “tonnage tax” according to a ten-year option regime, or the possible different interpretation of the application of the relative provisions regarding the subjective and objective requirements for eligibility to this regime and the consequent calculation of taxes in relation to the activity carried out, could have negative consequences - the effects of which would in any case be marginal - on the Group interim economic and financial situation.

STRATEGIC RISKS

Market risk
Market risk is the risk that changes in market conditions (competition, technology, prices, etc.) may adversely affect the value of assets, liabilities, economic performance and expected cash flows.

The company business, which started in the Oil & Gas sector, has since evolved and concentrated on the renewable energy and telecommunications sectors, which are currently the main areas of operation and the basis for future development plans.

Over the years, the Group has developed specialised skills that have enabled it to acquire a leading position in its sector. The need for high specialised skills is a strong barrier to the entry of new players into the business. Significant investments in the best available technologies make for the highest levels of efficiency and performance, while the significant commitment to research and development contributes to the continuous improvement of the level of services offered to customers.

The commercial structure, the technical departments and the controlling department closely monitor market developments and trends in the reference sector in order to avoid unforeseen events with negative effects on the Group performance.

It is not excluded that new players or players operating in other market segments will position themselves in the business segment in which NextGeo operates, thus becoming direct competitors of the Group.

Risks related to climate change
The energy transition is the process of evolving the global economy towards a “low-carbon” development model, i.e. low/zero net greenhouse gas (GHG) emissions.

The Group has always been attentive to the environmental and social impact of its activities and aims, through the consolidation of its operations in the green economy sectors, to make a decisive contribution to the achievement of the objectives of sustainability and reduction of the environmental and social impact of economic activities set by the international community.

In line with this objective, the Group pays particular attention to research and development activities aimed at expanding its expertise in the green economy sectors, to the realisation of significant investments aimed at achieving low-carbon development objectives, and to the creation of process/service innovations that guarantee the consolidation of its position and entry into new market segments.

Risks related to climate change can impact the Group both in terms of “physical risk” (the risk that extreme weather events will affect its operations and performance and compromise the proper functioning of relevant assets) and in terms of “transition risk” (the risk that the transition to a business model with a lower environmental and social impact may render the assets and technologies currently in use obsolete/non-compliant and require significant - unforeseen - investments in renewal/adaptation). At present, this risk is assessed as low.

At the same time, climate change offers the Group important opportunities, due to its exposure in the field of climate change mitigation and adaptation solutions, as well as opportunities to differentiate itself with solutions that reduce the carbon footprint of the Group and its customers.

The Group mission is, in fact, to contribute to the creation of a world in which a safe, efficient, affordable and sustainable energy supply is accessible in an equitable and peaceful manner throughout the world.

Risks associated with the availability of qualified personnel
The inability to attract and retain qualified employees may affect the effective provision of services by NextGeo and leadership within the organisation. Labour markets are very competitive; the Covid-19 pandemic and ongoing conflicts have influenced the choices people make regarding their career path.

Therefore, keeping employees involved and taking care of their well-being is crucial for the future success of the organisation. The Group monitors this risk through careful selection and retention policies for qualified personnel. In addition, the expertise developed over time in the selection and management of specialised non-employee personnel makes the cost structure elastic and leads us to deem this risk to be limited.

OPERATIONAL RISKS

Risks associated with project implementation
Contract projects involve operational and management complexities that can impact delivery times and, in general, the quality of services offered to customers. External exogenous events can also significantly affect the results of activities and impact expected performance.

Failure to meet the required delivery times and quality standards may result in the non-acceptance of work performed, the application of penalties and/or the termination of contracts, with negative effects on performance.

Delays due to adverse weather conditions, breakdowns of vessels or equipment, unavailability of people or resources can have a negative impact on project results.

The Group mitigates these risks within the scope of its contracts by including in them specific safeguards; it has developed a project risk assessment system, appointed a risk assessment manager and implemented adequate budgeting and reporting systems to ensure the timely identification of any inefficiencies, non-conformities and deviations and the implementation of any corrective actions.

Risks associated with international operations
International operations expose the Group to risks related to, among other things, the geopolitical and macroeconomic conditions of the countries in which it operates and any changes thereto.

The activities carried out by the Group in Italy and abroad are subject to compliance with the rules and regulations valid within the territory in which it operates, including sanctions and laws implementing international protocols or conventions.
The issuance of new regulations or changes to existing regulations could require the Group to adopt stricter standards, and this circumstance could entail costs to adapt the corporate assets or the characteristics of the services offered or even limit the Group operations with a consequent negative effect on its current performance and growth prospects.

In order to mitigate this risk, the Group management carefully monitors the geopolitical and macroeconomic situation of the countries in which it operates.

Risks related to the environment, health and safety
The Group activities are subject to compliance with current regulations imposed at national and international level to protect the environment, health and safety.

Failure to comply with the regulations in force entails penal and/or civil sanctions against those responsible and, in some cases of violation of safety regulations, against the companies, in accordance with a European model of objective corporate liability that has also been transposed in Italy (Legislative Decree no. 231/01).

Environmental, health and safety regulations have a significant impact on the Group operations, and the charges and costs associated with the necessary actions to be taken to comply with these obligations will continue to be a significant cost item in future years.

The Group is impacted by a number of health and safety risks, given the operational diversity, technical complexity and geographical spread of its operations. Management monitors, also through the parent company legal department and supervisory bodies, compliance with the regulations in force in the countries in which the Group operates.

Legal risks
Given the size of the business and the operational and management complexity associated with contract projects, the Group may be a party in civil and administrative proceedings and legal actions connected with the normal course of its business. Such proceedings, if unsuccessful, could impact the economic and financial performance of the Group.

In order to minimise these risks, the organisation of the parent company Next Geosolutions Europe SpA envisages the presence of an in-house legal department and external legal advisors of proven experience and professionalism, while the procedures in place require careful assessment of contractual documentation prior to signing.

At present, also based on historical trends, this risk is considered low.

Cybersecurity risks
Cybersecurity risks could impact corporate performance in terms of (permanent or temporary) loss of confidential data or other sensitive business information.

Companies are being called upon to face the cybersecurity risks arising from the continuous evolution of the cyber threat and the increase in its scope, also in the face of increasing digitalisation and the greater spread of remote working in companies.

Computer incidents, including in the supply chain, business disruptions, data leakage and loss of information, including of strategic importance. The Group manages cybersecurity through specialised processes, procedures and technologies for predicting, preventing, detecting and managing potential threats and for responding to them.

This risk is low.

SUSTAINABILITY

NextGeo group has always been mindful of its social and environmental responsibility and, for this reason, promotes a development model that values respect for the environment, the well-being of people and the creation of shared value for present and future generations.

In the first half of 2024, the Group presented its voluntary Sustainability Report 2023, which outlines the company's progress in addressing Environmental, Social, and Governance (ESG) challenges. The Sustainability Report 2023 was drafted using the “Sustainability Reporting Standards” of the “Global Reporting Initiative” (GRI) published in 2021 (GRI Standards) as a technical-methodological reference, in accordance with the “with reference to” reporting method.

Operating in an increasingly complex and interconnected world and industry, sustainability has increasingly become an integral part of corporate strategy. The main objective of the Sustainability Report is to transparently report on our sustainability performance, as well as on the initiatives implemented to achieve it.

During the first half of 2024, NextGeo group committed to improving and extending its environmental impact monitoring processes and to spreading a culture of sustainability within the company.
As of January 2024, the Group has required the companies it works with to report monthly on emissions generated by the travel of their personnel to and from work areas, as well as all travel related to participation in meetings with customers, trade fair events and visits to the Group offices.
Considerable effort has been put into training staff on sustainability issues, both through internal, introductory training sessions on these topics, and with specific emphasis on “Diversity” and “Inclusion”. Convinced that safeguarding gender equality is not only an ethical choice but also a strategic one, the Group issued the Three-Year Strategic Plan - Gender Equality (2024-2026), thus committing itself to a systemic path of cultural change. The document specifies the tasks and budget allocated to the special Corporate Steering Committee for Gender Equality. With the support of the certifying body DNV, the Group started the process to achieve the UNI/PdR:125:2022 Gender Equality certification. The institution performed a GAP Analysis in the first half of 2024 and will continue its activities in the second half.
In addition, the monitoring of suppliers’ sustainability performance continues through the use of the EcoVadis platform. In May 2024, NextGeo group, improving on its previous score, was awarded the EcoVadis Gold Medal, making it one of the top 5% of companies evaluated in the last 12 months. As part of its information transparency journey, NextGeo group also submitted its sustainability positions on the Open-es and Carbon Disclosure Project (CDP) platforms for evaluation.
Lastly, in line with its commitment to protecting marine and coastal ecosystems, NextGeo group has joined the Water Defender Alliance. The alliance, promoted by Lifegate, involves companies, citizens, institutions, and universities with the aim of promoting concrete, science-based solutions to combat problems, such as plastic pollution, oil pollution and fragile marine ecosystems.

We believe that streamlining and innovating business processes is the direction we must take to achieve lasting sustainability. Therefore, we continue to invest in research and development activities aimed at increasing the efficiency of operations and optimising internal processes, testifying to our commitment to refining and strengthening our value chain with an increasingly sustainable approach.

NextGeo group is convinced that an integrated business approach that encompasses sustainability in all its forms needs to be embraced more firmly.

Economic sustainability: The business continuity of NextGeo group is analysed, established, reported, monitored and guaranteed. In terms of service provision, ISO 9001-certified quality standards are fundamental to the organisation in terms of efficiency, innovation and customer satisfaction.

Environmental sustainability: NextGeo group takes responsibility for protecting the environment, preserving biodiversity, preventing all potential sources of pollution and misuse of natural resources. The applicable environmental standards are certified in accordance with ISO 14001.

Social sustainability: Mutual respect is a core value of NextGeo group. Employees receive clear guidelines on rights and responsibilities. These directives are described in group policies and are in line with ISO 45001 certification. By maintaining the NEN Safety Culture Ladder certification, the Group demonstrates that safeguarding occupational safety pervades every level of the company.

With regard to the Sustainability Report 2024, work has started on the alignment with the new regulatory requirements. The Sustainability Report 2024, while maintaining a voluntary character, will be drawn up in accordance with the guidelines established by the CSRD. Similarly, the technical and methodological framework based on the GRI Standards will be progressively replaced by the European Sustainability Reporting Standards (ESRS).

For further information on sustainability, please refer to the Sustainability Report 2023 available in the “investor relations” section of the website.

INFORMATION ON THE ENVIRONMENT

During the six months ended 30 June 2024, NextGeo Group did not cause any damage to the environment nor was it sanctioned for any environmental offences.
The management manages its own activities in the pursuit of excellence in the field of quality, the environment and safety, with the aim of continuously improving its performances in terms of customer satisfaction, environmental protection, worker health and safety.

NextGeo group is committed:
- to operating in compliance with the laws in force that are applicable to its activity, with the company specifications and standards and to take any legislative developments into consideration;
- to managing its own processes by using the best available techniques;
- to minimising the impact of its activities on the environment;
- to recognising that the customer needs and the evaluation of his/her satisfaction are priority reference criteria to be adopted in the implementation of services.

This commitment is fulfilled through:
- the design, implementation and maintenance of an integrated management system;
- the planning and implementation of periodic checks and reviews of said management system;
- systematic monitoring of customer satisfaction;
- the possibility for “potential” customers to access the Group “customer satisfaction” data;
- the delineation of objectives and targets for quality, health and safety of people and environmental protection, which are to be achieved through specific, periodically revised, programs.

The Group has always been hugely committed to issues related to the safety of workers, of its production assets and of the environment, in general, basing its strategy on:
- the dissemination of a culture of safety within the organisation;

- policies, specific dedicated operating procedures and proper management systems, aligned with the best international standards;
- control, prevention and protection from exposure to risks, including risks related to the safety of the environment;
- minimisation of exposure to risks in every productive activity.

During the financial year, the parent company Next Geosolutions Europe SpA maintained certification according to the international standards ISO 9001:2015, 14001:2015, 45001:2018 (April 2024) and NEN Safety Culture Ladder.

Initiatives aimed at reducing the impact of the Group activities on the environment include the following:
- reducing the use of plastic and installing water dispensers in all offices. The water dispensers are equipped with paper cups for guests, while the Group provides its employees with aluminium flasks. Water in glass bottles is provided in the meeting rooms.
- In order to reduce the harmful emissions of its fleet, the Group uses Marine Gas Oil with low sulphur content, applying the International Maritime Organisation (IMO) regulations in their most restrictive application; in fact, the Group uses, exclusively, fuels with low or very low sulphur content (LS, ULSFO), max 0.10%;
- In order to make the movement of vessels more efficient and reduce non-operational transits, the Group has implemented an operations planning process based on the weekly issuance of a forecast document for vessel allocation on projects;
- as of January 2024, as mentioned above, the Group has required the companies it works with to report monthly on emissions generated by the travel of their personnel to and from work areas, as well as all travel related to participation in meetings with customers, trade fair events and visits to the Group offices.

These initiatives are fully in line with the Group mission to contribute, through its activities, to the creation of a more sustainable world.

INFORMATION ON PERSONNEL

During the first half of 2024, due to the growth of the business and in accordance with the strategy of insourcing certain specialised skills, the Group workforce grew significantly to about 164 employees. Attention to people is an integral part of our culture and is certainly one of the key factors for future growth.

Over the years, the Group has implemented measures that are fully in line with the objective of creating a healthy working environment, in which each employee can feel valued and can find the ideal conditions to express his or her potential to the full.

In order to ensure adequate knowledge of the rules governing the employment relationship, of company procedures and in order to guarantee the professional updating of personnel, training courses involving all employees or specific courses for a part of them are carried out.

With reference to the personnel safety disclosure, we report that during the first half of 2024, there were no accidents or significant occupational incidents directly or indirectly involving the Group.

RESEARCH AND DEVELOPMENT ACTIVITIES

In a highly specialised business, where the ability to innovate is one of the key factors for success and for maintaining competitiveness over time, research and development activities play a fundamental role. Therefore, NextGeo group has committed and continues to commit significant resources to research and development activities, believing that they represent one of the key factors in the growth achieved over the years and future developments.
The parent company Next Geosolutions Europe SpA is a member of the MIT (Massachusetts Institute of Technology) "Regional Entrepreneurship Acceleration Program", which supports companies in their path to economic growth and promotes social progress through innovation-driven entrepreneurship.

NextGeo group has completed, and still has ongoing, several research and development projects with prestigious scientific research institutions.

The following projects in particular are worth mentioning:

- NSS2023 - Next Sistema Smart in the marine environment, closed in March 2024. The project led to the realisation of a system to remotely transport production activities at sea to a strategic location on land and is aimed at improving the quality of work of personnel and reducing the environmental impact of the activities carried out; The NSS2023 integrated system consists of two prototype production subsystems: the remotely controlled underwater "High Speed Survey ROV" (HSS ROV) and the surface "Autonomous Survey Vehicle" (ASV). The completion of the final prototype envisages the construction of: (a) the Experimental Control Centre (so-called Control Room), located on board the vessel that will have to carry out the "optimised" transfer of survey data acquired at sea; and (b) of the corresponding receiving subsystem ashore (so-called Communication).
- NGR2025 - Next Green Revolution, concerning the prototype development of an integrated system for deep sediment sampling, measurement of the thermal conductivity of marine sediments and removal of metal residues similar to probable unexploded ordnance from the seabed, which is part of the second pillar "Global Challenges and Industrial Competitiveness" of the "Horizon Europe" Programme (a programme aimed at the development of key enabling technologies and, in particular, of "Advanced Production Systems" for the mitigation of climate change, the prevention and reduction of pollution and the protection and restoration of biodiversity and ecosystems). Within the scope of this project, during the first half of 2024, research and development activities and related investments concerned the upgrading of the deep sediment sampling system (so-called "Drilling Rig") and of the ship (NG Driller) hosting the system.

- S.A.S.S.O. - Acoustic Surveillance System with Optical Sensors as part of the National Military Research Plan. The S.A.S.S.O. System consists of the development of a passive curtain (i.e. an underwater optical antenna) with fibre optic sensors for the detection of underwater targets.
  The programme consists of four phases:
  - Phase 1: Feasibility Analysis and Technical Specification of the tech demo
  - Phase 2: Tech demo project
  - Phase 3: Creation of the tech demo
  - Phase 4: Laboratory and sea trials

  The fourth and final phase of the project started in the first half of 2024.
- Next Global Evolution - The project involves a set of interventions for the creation of a new production unit and the provision of state-of-the-art machinery and instrumentation to increase the Group presence in international markets, while also bringing innovations to the production process, new services and corporate organisation. In February 2024, the proposed Industrial Development Contract was submitted for this project pursuant to Article 9 of the Decree of the Italian Minister of Economic Development of 9 December 2014, as amended and supplemented.

In addition, in the first half of 2024 the Group made investments aimed at the technological and digital transformation of processes, the reduction of environmental impacts and the energy efficiency of activities and processes.

Lastly, the parent company Next Geosolutions Europe SpA collaborates and trains research and training entities and institutions both locally and nationally, is present in numerous scientific and research institutions, and continues to carry out research and development activities, believing, as repeatedly stated in this Interim Report on Operations, that its commitment to research and development activities has significantly contributed to the growth achieved over the years and constitutes a key factor for the Group future development.

TRANSACTIONS WITH RELATED PARTIES

The Group has adopted a specific "Procedure for the Regulation of Transactions with Related Parties", which was approved by the Board of Directors of the parent company Next Geosolutions Europe SpA at its meeting on 15 May 2024. The Procedure was adopted - in accordance with Art. 13 of the Euronext Growth Milan Issuers' Regulation adopted by Borsa Italiana SpA on 1 March 2012, as subsequently amended and supplemented - pursuant to Art. 1 of the Provisions on Related Parties approved by Borsa Italiana SpA in 2019 as subsequently amended and supplemented, applicable to transactions with related parties carried out by companies listed on Euronext Growth Milan ("Provisions on Related Parties") and art. 10 of the regulation containing provisions on transactions with related parties adopted by Consob with resolution no. 17221 of 12 March 2010, as amended and supplemented (the "Related Parties Regulation"), to the extent referred to in the EGM Issuers' Regulation.
The aforementioned "Procedure for the Regulation of Transactions with Related Parties" is available on the institutional website www.nextgeo.eu, Investor Relations, Governance, Documents and Procedures section.

During the first half of 2024, the Group had both commercial and financial transactions with related parties. These transactions mainly concern the parent company and companies controlled by the parent company.

Transactions with related parties are concluded at arm length. There were no transactions with related parties that were atypical and/or unusual and/or outside the ordinary course of business.

The following table shows details of transactions with related parties in the first half of 2024:

Values in Euro units

Company	Revenues	Costs	Financial charges	Financial fixed assets	Receivables	Payables
Marnavi SpA	1,091,633	17,074,337	1,500	-	666,541	10,877,613
Navalcantieri Italia Srl	-	157,578	-	-	-	167,300
Marnavi Shipping Management Pvt	-	-	-	18	-	2

Specifically:

Marnavi SpA
The company, headquartered in Naples (Italy), controls Next Geosolutions Europe SpA with a 52.60% stake in the share capital (63.01% in terms of percentage of voting rights at the Shareholders' Meeting) and carries out shipping activities in the petrochemical, offshore, food and anti-pollution sectors.
Relations with NextGeo group mainly concern contracts (charter in) for the chartering of ships.

Navalcantieri Italia Srl
The company, headquartered in Naples, Italy, is 100% owned by Marnavi SpA and is active in shipbuilding.
The relationship with NextGeo group concerns the mechanical machining of owned vessels.

Finimm Srl
The company, headquartered in Naples (Italy), is 98% owned by Marnavi SpA and 2% owned by Phoenix Offhsore Srl and carries out real estate management activities.
Transactions with NextGeo group mainly concern fees for the use of premises owned by that company.

Marnavi Shipping Management Pvt
The company, based in Mumbai (India), is 99% owned by Marnavi SpA and 1% owned by Phoenix Offshore Srl and carries out crew management activities on behalf of Marnavi Group companies.
Transactions with NextGeo group mainly concern trade payables related to previous years for cost recharges.

TREASURY SHARES

On 29 March 2024, the Shareholders' Meeting of the parent company Next Geosolutions Europe SpA resolved to cancel 100,000 treasury shares, which were recorded in the balance sheet as of 31 December 2023 under "AX. Negative reserve for treasury shares in portfolio" at cost, amounting to EUR 738,000.
The table below provides information on treasury shares:

Description	2023	Increases	Decreases	1H 2024
Number of own shares	100,000	-	100,000	-
Nominal value	100,000	-	100,000	-
Book value	738,000	-	738,000	-

SHARES OF THE PARENT COMPANY

As of 30 June 2024, the Group did not own any shares of the parent company Marnavi SpA either directly or through a trust company or intermediary. During the first half of 2024, no shares of the parent company were purchased or sold either directly or through trust companies or intermediaries.

BUSINESS OUTLOOK

During the first half of 2024, the Group continued to grow in a solid and structured manner. The results achieved in the six-month period confirm the excellent performance of previous periods, shine a spotlight on the commercial activity, reward the operational efforts and the unique know-how developed by NextGeo group.
The positive market trend, particularly in the Offshore Wind Farm and Interconnector sectors, offered significant opportunities, which the Group was able to seize with timeliness and determination, thus consolidating its position among the leading players in the sector.

As of 30 June 2024, the Group had a backlog of about EUR 305 million, a soft backlog of about EUR 98 million and a pipeline of about EUR 443 million. The robust backlog and expanding pipeline, coupled with consistent market growth, make us look optimistically to the future and enthusiastically plan for the challenges of tomorrow.

In this context, NextGeo group continued its strategy of operational strengthening through targeted investments, such as the acquisition of a new strategic naval unit, the NG Surveyor, which will be completed in early 2025 (total investment of EUR 21 million) and the upgrading of technologically advanced equipment for geophysics, geotechnics and marine environmental studies (including the completion of the investment for the Schilling Heavy Duty ROV worth a total of USD 8.2 million and further investments in equipment, planned for EUR 1.6 million), which are crucial elements for improving the efficiency and management capacity of complex, high value-added projects.
The Group strategy envisages expansion in the deep geotechnical sector, where the diversification process started with the conversion of the vessel currently named NG Driller into an offshore drilling vessel, and a strengthening of the value chain through the integration of new, highly specialised services, with the aim of completing the portfolio of solutions offered.
We believe that this objective can be achieved both through the development of internal resources and skills (so-called “organic growth”) and through Mergers&Acquisitions (so-called “inorganic growth”), for which the relevant due diligence activities are currently underway.

This integrated approach, combined with a clear strategic vision oriented towards the global energy transition, lets the Group face future challenges with confidence, seize the opportunities offered by the growing interest in renewable energy, and create the ideal conditions to accelerate its growth path. Last May stock market listing is a boost that encourages us to look forward to our ambitious future goals. We believe that the results achieved so far demonstrate the Group ability to operate successfully in a constantly changing market. We are convinced that the path we have embarked on will enable us to expand our market presence, supplement the value chain, and strengthen the established partnerships we have built with leading industry players.

This development model, supported by targeted investments and a strong focus on market dynamics, is the cornerstone of NextGeo group long-term growth strategy.

INFORMATION ON FINANCIAL INSTRUMENTS

The Group does not hold financial instruments of importance to the valuation of the assets/liabilities, financial situation and economic result for the period.

LIST OF BRANCH OFFICES

In addition to its registered and operative office in Via Santa Brigida n.39, 80133 - Naples (NA), the Company has a secondary office (logistics depot) in Via Domenico de Roberto no.44, 80143 - Naples (NA) and a secondary office (office) in Via Medina no.13, 80133 - Naples (NA).

Naples, 27 September 2024

Attilio Ievoli	**Giovanni Ranieri**	**Giuseppe Maffia**
Chairman of the Board of Directors	Managing director	Managing director

FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

Values in Euro units	1H 2024	2023
Assets		
B) Fixed assets		
I - Intangible fixed assets		
1) start-up and expansion costs	3,293,084	352
2) development costs	159,267	201,356
3) Industrial patent rights and rights to use intellectual property	140,000	160,000
4) concessions, licences, trademarks and similar rights	87,262	62,541
5) Goodwill	1,396,540	1,272,335
6) fixed assets under construction and advances	-	-
7) other	1,572,283	1,387,978
Total intangible fixed assets	**6,648,436**	**3,084,562**
II - Tangible fixed assets		
1) land and buildings	2,040,636	2,067,790
2) plants and machinery	37,747	1,799
3) industrial and commercial equipment	8,105,925	8,030,225
4) other assets	32,450,978	29,068,837
5) fixed assets under construction and advances	6,531,269	88,817
Total tangible fixed assets	**49,166,555**	**39,257,468**
III - Financial fixed assets		
1) equity investments		
d) undertakings controlled by parent companies	18	2,118
d-bis) other undertakings	23,740	23,740
Total equity investments	23,758	25,858
2) receivables		
d-bis) from others		
due within one year	40,014,527	14,527
due beyond one year	199,754	179,800
Total receivables from others	40,214,281	194,327
Total receivables	40,214,281	194,327
Total financial fixed assets	**40,238,039**	**220,185**
Total fixed assets (B)	**96,053,030**	**42,562,215**
C) Current assets		
I - Inventories		
1) raw, ancillary, consumable materials and goods	994,564	872,023
3) contract work in progress	33,346,331	123,038,120
5) advances	-	22,400
Total inventories	**34,340,895**	**123,932,543**
II - Receivables		
1) from customers		
due within one year	41,212,466	38,662,375
Total receivables from customers	41,212,466	38,662,375

4) from parent companies		
due within one year	666,541	902,432
Total receivables from parent companies	666,541	902,432
5-bis) tax receivables		
due within one year	1,788,887	1,612,315
due beyond one year	178,929	498,707
Total tax receivables	1,967,816	2,111,022
5-ter) prepaid taxes	667,642	523,631
5-quater) from others		
due within one year	6,614,982	4,312,011
Total receivables from others	6,614,982	4,312,011
Total receivables	**51,129,447**	**46,511,471**
IV - Cash and cash equivalents		
1) bank and postal deposits	27,227,625	17,765,848
3) cash on hand and liquid assets	15,878	8,876
Total cash and cash equivalents	**27,243,503**	**17,774,724**
Total current assets (C)	**112,713,845**	**188,218,738**
D) Accruals and deferrals	**819,332**	**2,609,896**
Total assets	**209,586,207**	**233,390,849**
Liabilities		
A) Group shareholders’ equity		
I - Capital	600,000	500,000
II - Share premium reserve	49,900,000	-
IV - Legal reserve	163,055	163,055
VI - Other reserves, separately indicated		
Extraordinary reserve	5,991	5,991
Reserve from differences in conversion	150,689	22,794
Euro rounding reserve	(3)	(1)
Total other reserves	**156,677**	**28,784**
VIII - Profits (losses) brought forward	48,466,245	20,022,194
IX - Profit (loss) for the period	21,065,746	29,182,051
X - Negative reserve for treasury shares in portfolio	-	(738,000)
Total group shareholders’ equity	**120,351,723**	**49,158,084**
Minority shareholders’ equity		
Capital and minority interest	71,307	60,571
Minority profit (loss)	7,547	10,736
Total minority interest in shareholders’ equity	**78,854**	**71,307**
Total consolidated shareholders’ equity	**120,430,577**	**49,229,391**
B) Provisions for risks and charges		
1) for pensions and similar obligations	192,278	181,801
2) for taxes, even deferred	367,720	1,457,835
Total provisions for risks and charges (B)	**559,998**	**1,639,636**
C) Employee Severance Indemnities	**1,549,846**	**1,383,977**

D) Payables		
3) payables to shareholders for loans		
due beyond one year	529,000	529,000
Total payables to shareholders for loans	529,000	529,000
4) payables to banks		
due within one year	10,522,593	10,549,244
due beyond one year	13,473,534	15,920,547
Total payables to banks	23,996,127	26,469,791
5) payables to other lenders		
due within one year	291,244	327,923
due beyond one year	217,811	348,726
Total payables to other lenders	509,055	676,649
6) advances		
due within one year	6,750,000	116,601,712
Total advances	6,750,000	116,601,712
7) payables to suppliers		
due within one year	31,775,079	22,922,695
Total payables to suppliers	31,775,079	22,922,695
11) payables to parent companies		
due within one year	10,348,613	6,113,444
Total payables to parent companies	10,348,613	6,113,444
11-bis) payables to undertakings controlled by the parent companies		
due within one year	167,302	140,347
Total payables to undertakings controlled by the parent companies	167,302	140,347
12) tax payables		
due within one year	9,552,000	3,927,855
Total tax payables	9,552,000	3,927,855
13) payables to pension funds and social security institutions		
due within one year	346,864	221,734
Total payables to pension funds and social security institutions	346,864	221,734
14) other payables		
due within one year	1,194,989	1,653,386
Total other payables	1,194,989	1,653,386
Total payables (D)	**85,169,029**	**179,256,613**
E) Accruals and deferrals	**1,876,757**	**1,881,232**
Total liabilities	**209,586,207**	**233,390,849**

CONSOLIDATED INCOME STATEMENT

Values in Euro units	1H 2024	1H 2023
A) Value of production		
1) revenues from sales and services	190,788,890	28,888,317
3) changes in contract work in progress	(90,283,620)	40,670,746
5) other revenues and income		
operating grants	353,968	1,562,003
other	3,241,760	328,333
Total other revenues and income	**3,595,728**	**1,890,336**
Total value of production	**104,100,998**	**71,449,399**
B) Production costs		
6) for raw, ancillary materials and consumables	7,616,399	4,383,667
7) for services	35,039,235	25,128,196
8) for leased assets	25,822,684	17,393,977
9) for personnel		
a) wages and salaries	6,235,430	4,459,185
b) social security charges	778,317	586,824
c) severance indemnity	224,000	163,763
d) pensions and similar benefits	10,477	13,600
e) other costs	2,028	-
Total costs for personnel	**7,250,252**	**5,223,372**
10) amortisation, depreciation and write-downs		
a) amortisation of intangible fixed assets	921,493	415,270
b) depreciation of tangible fixed assets	1,958,489	887,057
d) write-downs of receivables included in current assets and cash and cash equivalents	-	1,087,737
Total amortisation, depreciation and write-downs	**2,879,982**	**2,390,064**
11) changes in raw, ancillary materials, consumables and goods	(118,075)	126,158
14) various operating charges	101,580	52,498
Total production costs	**78,592,057**	**54,697,932**
Difference between value of production and production costs (A - B)	**25,508,941**	**16,751,467**
C) Financial income and charges		
16) other financial income		
d) income other than above		
other	147,610	2,486
Total income other than above	**147,610**	**2,486**
Total other financial income	**147,610**	**2,486**
17) interest and other financial charges		
other	791,879	741,282
Total interest and other financial charges	**791,879**	**741,282**
17-bis) exchange gains and losses	(99,014)	(82,913)
Total financial income and charges (15 + 16 - 17 + - 17-bis)	**(743,283)**	**(821,709)**
Result before taxes (A - B + - C + - D)	**24,765,658**	**15,929,758**
20) Current, deferred and prepaid income taxes for the period		

current taxes	4,541,668	2,556,801
taxes relating to previous periods	386,287	517
deferred and prepaid taxes	(1,235,590)	(727,815)
Total current, deferred and prepaid income taxes for the period	**3,692,365**	**1,829,503**
21) Consolidated profit (loss) for the period		
21) Consolidated profit (loss) for the period	**21,073,293**	**14,100,255**
Group result	**21,065,746**	**14,093,612**
Result attributable to minority interests	**7,547**	**6,643**

CONSOLIDATED CASH FLOW STATEMENT

Values in Euro units	1H 2024	1H 2023
A) Financial flows arising from operating activities (indirect method)		
Profit (loss) for the period	21,073,293	14,100,255
Income taxes	3,692,365	1,829,503
Interest payable/(receivable)	644,269	738,796
1) Profit (loss) for the period before income taxes, interests, dividends and capital gains /losses deriving from disposals	**25,409,927**	**16,668,554**
Adjustments to non-monetary items that were not offset by the net working capital		
Allocations to provisions	234,477	177,363
Amortisation/depreciation of fixed assets	2,879,982	1,302,327
Total adjustments to non-monetary items that were not offset by the net working capital	**3,114,459**	**1,479,690**
2) Financial flow before changes in net working capital	**28,524,386**	**18,148,244**
Changes in net working capital		
Decrease/(Increase) in inventories	90,187,946	(40,566,989)
Decrease/(Increase) in receivables from customers	(1,846,297)	(5,003,510)
Increase/(Decrease) in payables to suppliers	7,664,210	(1,472,574)
Decrease/(Increase) in accrued income and prepaid expenses	1,872,009	1,730,200
Increase/(Decrease) in accrued expenses and deferred income	(2,358)	(463,631)
Other decreases/(Other increases) in net working capital	(106,041,921)	28,254,705
Total changes in net working capital	**(8,166,411)**	**(17,521,799)**
3) Financial flow after changes in net working capital	**20,357,975**	**626,445**
Other adjustments		
Interest collected/(paid)	(734,393)	(735,869)
(Paid income taxes)	(1,152,980)	(21,035)
(Use of provisions)	(59,700)	(69,748)
Total other adjustments	**(1,947,073)**	**(826,652)**
Financial flow arising from operating activity (A)	**18,410,902**	**(200,207)**
B) Financial flows arising from investing activities		
Tangible fixed assets		
(Investments)	(11,733,512)	(5,647,730)
Intangible fixed assets		
(Investments)	(4,124,793)	(575,397)
Financial fixed assets		
(Investments)	(40,020,000)	(23,108)
Divestitures	646	45,097
(Acquisition of subsidiaries net of cash and cash equivalents)	(525,438)	-
Financial flow arising from investing activity (B)	**(56,403,097)**	**(6,201,138)**
C) Financial flows arising from financing activities		
Loan capital		
Increase/(Decrease) in short-term payables to banks	(183,974)	6,879,665
Loans taken out	-	5,000,000
(Repayment of loans)	(2,507,066)	(2,655,564)

Equity		
Capital increase by payment	50,000,000	-
Financial flow arising from financing activity (C)	**47,308,960**	**9,224,101**
Increase/(decrease) in cash and cash equivalents (A ± B ± C)	**9,316,765**	**2,822,756**
Exchange rate effect on cash and cash equivalents	152,014	45,183
Cash and cash equivalents at the beginning of the period		
Bank and postal deposits	17,765,848	10,241,743
Cash on hand and liquid assets	8,876	6,865
Total cash and cash equivalents at the beginning of the period	**17,774,724**	**10,248,608**
Of which not freely usable	-	-
Cash and cash equivalents at the end of the period		
Bank and postal deposits	27,227,625	13,100,009
Cash on hand and liquid assets	15,878	16,538
Total cash and cash equivalents at the end of the period	**27,243,503**	**13,116,547**
Of which not freely usable	-	-

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS, INITIAL PART

Introduction
The consolidated condensed interim financial statements of Next Geosolutions Europe group (hereinafter also referred to as "NextGeo group" or the "Group") as of 30 June 2024, have been prepared in accordance with the provisions of Art. 18 of the Issuers' Regulation and were approved by the Board of Directors on 27 September 2024.

The consolidated condensed interim financial statements as of 30 June 2024, prepared in accordance with accounting standard OIC 30 and all other applicable OICs, the Italian Civil Code rules on financial statements and Italian Legislative Decree 127/1991, consist of the Balance Sheet, Income Statement, Cash Flow Statement and Notes to the financial statements and are accompanied by the Directors' Interim Report on Operations.

Activity carried out
For details of NextGeo group activities, please refer to the Directors' Interim Report on Operations, which accompanies these consolidated condensed interim financial statements.

Significant events during the first half of 2024
For details of the significant events that occurred during the first half of 2024, please refer to the Directors' Interim Report on Operations, prepared by the Directors to accompany these consolidated condensed interim financial statements.

Drafting criteria
The values in the consolidated condensed interim financial statements as of 30 June 2024 are shown in Euro units, without decimal places. Any rounding differences were indicated under "AVI. Reserve for rounding to the nearest euro unit" of Article 2423(6) of the Italian Civil Code.

The Balance Sheet has been prepared in accordance with the layout provided for in Art. 2424 and 2424-bis of the Italian Civil Code, supplemented on the basis of OIC 17. The form of the balance sheet is that of opposing sections, named Assets and Liabilities respectively. Assets are classified primarily on the basis of the purpose criterion, while liabilities are classified primarily on the basis of the nature of the sources of financing.

The Income Statement has been prepared in accordance with the format set out in Art. 2425 and 2425-bis of the Italian Civil Code, supplemented on the basis of the provisions of OIC 17. Art. 2425 of the Italian Civil Code envisages a multi-step form of presentation and a classification of costs by nature.

The Statement of Cash Flows was prepared on the basis of the provisions of Article 2425-ter of the Italian Civil Code, using the indirect method according to the format prescribed by OIC 10, supplemented on the basis of the provisions of OIC 17. The indirect method involves determining the cash flow from operating activities by adjusting the profit (or loss) for the period.

These Notes to the Financial Statements have been prepared on the basis of the provisions of OIC 30, Article 2427 of the Italian Civil Code, the other regulations governing their content, and the provisions of the accounting standards issued by the OIC. The notes to the financial statements also provide additional information, even if not required by law, that is useful for the purposes of clear, true and fair representation of the financial statements. Information on items in the balance sheet and income statement is presented in the order in which the relevant items are shown in the balance sheet and income statement. In accordance with the provisions of OIC 30, these Notes do not include all the information required in the annual financial statements and, consequently, must be read in conjunction with the Group annual consolidated financial statements for the year ended 31 December 2023, published on the institutional website www.nextgeo.eu, Investor Relations, Financial Statements and Periodic Reports section.

The Directors' Interim Report on Operations has been prepared on the basis of Article 2428 of the Italian Civil Code and contains the information required by this regulation as well as additional information useful for understanding the trend of operations.

As permitted by OIC 12, items with a zero balance in both the current period and the period used for comparison have not been disclosed in the financial statements.

DRAFTING PRINCIPLES

General principles for drafting the financial statements
The consolidated condensed interim financial statements as of 30 June 2024, prepared in accordance with Art. 18 of the Issuers' Regulation, have been prepared in accordance with accounting standard OIC 30 and all other applicable OICs.

The consolidated condensed interim financial statements as of 30 June 2024 do not include all the information required in the annual financial statements and, consequently, must be read in conjunction with the Group annual consolidated financial statements for the year ended 31 December 2023, published on the institutional website www.nextgeo.eu, Investor Relations, Investor, Financial Statements and Periodic Reports section.

The same accounting principles, recognition and measurement criteria, and consolidation criteria adopted in the preparation of the consolidated condensed interim financial statements as of 30 June 2024, with the exception of the adoption of the new accounting standard OIC 34 "Revenues", have been applied as in the preparation of the Consolidated Financial Statements as of 31 December 2023.

Consolidation scope
The consolidated condensed interim financial statements of NextGeo group include the balance sheet, income statement and financial position of the parent company Next Geosolutions Europe SpA (hereinafter also the "Parent Company") and its Italian and foreign subsidiaries, together identified as NextGeo group, as of 30 June 2024.

These consolidated financial statements have been prepared on the basis of the financial statements of the Parent Company and its subsidiaries or jointly controlled companies, appropriately adjusted to make them compliant with the provisions of the Italian Civil Code on financial statements and the accounting standards issued by the OIC.

Article 26 of Italian Legislative Decree no. 127/1991 gives content to the notion of control, in part by referring to numbers 1 (de jure control) and 2 (de facto control) of paragraph 1 of Art. 2359 of the Italian Civil Code, and partly by envisaging the two additional cases of dominant influence over the subsidiary arising from contractual or statutory clauses and control of voting rights based on agreements with other shareholders.

"De jure" control is presumed when a parent company has a majority of the voting rights exercisable in the ordinary shareholders' meeting of another (subsidiary) undertaking within the meaning of Art. 2359 of the Italian Civil Code, paragraph 1, number 1.

"De facto" control takes the form of the availability of sufficient votes to exercise a dominant influence on resolutions in the ordinary shareholders' meeting within the meaning of Art. 2359 of the Italian Civil Code, paragraph 1, number 2.

Control based on specific assumptions of dominant influence identified in Article 26(2) of Italian Legislative Decree no. 127/1991 is where the company "has the right, by virtue of a contract or a clause in its articles of association, to exercise a dominant influence, where the applicable law permits such contracts or clauses" or where "on the basis of agreements with other shareholders, it alone controls a majority of the voting rights".

Joint control occurs when a person exercises control over an undertaking jointly with other shareholders and on the basis of agreements with them.

The subsidiaries of the parent company are consolidated on a line-by-line basis.

Companies that are jointly controlled by the parent company and other shareholders are consolidated using the proportionate consolidation method.

The following table summarises, with reference to the companies included in the scope of consolidation, the information as of 30 June 2024 on the name, registered office, direct and indirect shareholding of the parent company in the share capital and method of consolidation:

Parent company

Company Name	Headquarters	Currency	Capital (units of currency)	Direct equity investment	Indirect equity investment	Consolidation method
Next Geosolutions Europe SpA	Naples - Italy	Euro	600,000	-	-	-

Subsidiaries

Company Name	Headquarters	Currency	Capital (units of currency)	Direct equity investment	Indirect equity investment	Consolidation method
Seashiptanker Srl	Naples - Italy	Euro	10,000	80%	-	Line-by-line
Phoenix Offshore Srl	Naples - Italy	Euro	10,329	100%	-	Line-by-line
Subonica Srl	Naples - Italy	Euro	142,730	100%	-	Line-by-line
Next Geosolutions Ukcs Ltd	Norwich - United Kingdom	Pound sterling	1,000	100%	-	Line-by-line
Next Geosolutions BV	Ijmuiden - The Netherlands	Euro	20,000	100%	-	Line-by-line

Jointly controlled companies

Company Name	Headquarters	Currency	Capital (units of currency)	Direct equity investment	Indirect equity investment	Consolidation method
NextPoli Srl	Naples - Italy	Euro	10,000	50%	-	Proportional

During the first half of 2024, the scope of consolidation saw the entry of Subonica Srl, based in Naples (Italy), a wholly owned subsidiary of the Group. The company operates in the field of underwater surveys and inspections in coastal areas using Remotely Operated Vehicles (ROVs).

Integral consolidation

The full consolidation method provides for the full inclusion in the consolidated financial statements of the assets, liabilities, costs, revenues and cash flows of the companies included in the consolidation scope, except for the elimination of balances and transactions between companies included in the consolidation scope. Each asset and liability is considered for its full value for consolidation purposes.

The process of full consolidation consists of the following steps:

a) adjustments to the accounting statements in order to comply with group accounting principles, as well as any other adjustments that may be necessary for consolidation purposes;
b) aggregation of the accounting statements to be consolidated regardless of the percentage of ownership;
c) elimination of the carrying amounts of investments in subsidiaries, included in the parent company accounting statement and, where present, in the accounting statements of the other group companies, as a balancing entry against the corresponding portions of the subsidiary equity pertaining to the group. Allocation of differences generated by the process of eliminating the carrying value of equity investments against the corresponding portions of shareholders' equity;
d) elimination of balances and transactions between companies included in the scope of consolidation and internal or intra-group profits and losses;
e) recognition of any deferred and/or prepaid taxes in the consolidated financial statements, in accordance with the provisions of OIC 25 "Income Tax";
f) analysis of consolidated dividends and their specific accounting treatment, in order to avoid double accounting of investee profits;

g) specific accounting treatment for treasury shares of the parent company held by subsidiaries, in accordance with the provisions of OIC 28 "Shareholders' equity";
h) determination of the portion of consolidated shareholders' equity and of the consolidated result for the period pertaining to minority shareholders of consolidated investees, for the purpose of their specific disclosure in the consolidated financial statements;
i) valuation in the consolidated financial statements of non-consolidated controlling interests, i.e. those that may be excluded from consolidation pursuant to Article 28, of Italian Legislative Decree no. 127/1991;
j) analysis and proper representation in the financial statements of the acquisition of additional shares in already consolidated companies and the disposal of shareholdings with or without loss of control, as well as other changes in the scope of consolidation;
k) preparation of consolidated financial statements.

Proportional consolidation
The proportional consolidation method envisages the proportional inclusion in the consolidated financial statements of the assets, liabilities, costs, revenues and cash flows of companies over which one of the companies included in the scope of consolidation exercises joint control with non-group shareholders, considering only the portion of their value corresponding to the interest held directly or indirectly by the parent company.

Under the proportionate consolidation procedure, the participating company aggregates, line by line, the share of each of the joint venture assets, liabilities, revenues and expenses to the respective items in its financial statements.

Proportional consolidation only shows the share of the value of the investee owned by the group and not its total value. In addition, only the portion of shareholders' equity attributable to the group is eliminated from the value of the equity investments, so that the consolidated financial statements do not show the value of the equity and earnings corresponding to minority interests.

Intra-group profits and losses are eliminated proportionally; all other consolidation adjustments are made on a proportional basis.

In the case of the elimination of receivables from and payables to joint ventures, the portion of the receivable or payable pertaining to third parties is recorded under receivables from and payables to third parties for proportional consolidation purposes.

Any differences resulting from the consolidation are treated as in the case of line-by-line consolidation.

Translation of financial statements not expressed in Euros
In order to include companies that prepare their accounting statements in currencies other than the Euro in the scope of consolidation using the full or proportional method, they are first converted into Euros.
A similar conversion is made in relation to equity investments valuated using the equity method whose accounting statements are drawn up in currencies other than the Euro.

Any adjustments necessary to adapt the accounting statements of the above-mentioned companies to the group uniform accounting principles are made before they are converted into Euros.

The conversion of accounting statements expressed in a foreign currency, for the purposes of preparing consolidated financial statements, is done using:
a) the spot exchange rate at the date of the financial statements for the conversion of assets and liabilities;
b) the average exchange rate for the period for items in the income statement and for cash flows in the cash flow statement;
c) the historical exchange rate at the time of their formation for equity reserves (other than the reserve for differences in conversion).

The net effect of converting the accounting statements of the investee company into the reporting currency is recognised in a special "Reserve from differences in conversion" within the consolidated shareholders' equity.

In the event of a partial/total disposal of the foreign company, the relevant portion of the total reserve for conversion differences is to be reclassified into an available reserve.

The inclusion of the accounting statements of a foreign investee company in the scope of consolidation results in the elimination of intragroup balances. To this end, they are converted, prior to their elimination, using the exchange rates at the end of the period in order to align the reciprocal balances between consolidated companies and recording the difference in accordance with group accounting principles.

The table below details the exchange rates used to convert the accounting statements of the companies included in the consolidation area expressed in currencies other than the Euro:

	Average changes		**End-of-period changes**	
	1H 2024	**1H 2023**	**1H 2024**	**2023**
Pound sterling	0.85465	0.87638	0.84638	0.86905

EXCEPTIONAL CASES PURSUANT TO ART. 2423, FIFTH PARAGRAPH, OF THE ITALIAN CIVIL CODE

During the period, there were no exceptional cases that made it necessary to resort to the derogation from the valuation criteria, as per Art. 2423, paragraph 5, of the Italian Civil Code, insofar as they are incompatible with the true and fair representation of the Company financial position and results of operations.

CHANGES IN ACCOUNTING PRINCIPLES

During the period, with the exception of the introduction of the new accounting standard OIC 34, there were no changes in accounting principles or changes in valuation criteria.

OIC 34 Revenues

On 19 April 2023, the Management Board of the Italian Accounting Body (Organismo Italiano di Contabilità - OIC) approved the final version of the accounting standard OIC 34 “Revenues”, concluding a process that started in February 2019 with the publication of the Discussion Paper “Revenues” and continued in November 2021 with the publication of the draft OIC 34 for consultation. The new accounting standard applies to financial statements for financial years beginning on or after 1 January 2024.

OIC 34 identifies a single revenue recognition model, applicable to all transactions that generate revenue from the sale of goods and the provision of services regardless of their classification in the income statement. The scope of application of accounting standard no. 34 does not include revenues from contract work in progress, which will continue to follow the provisions of accounting standard OIC 23, and revenues from the sale of businesses, rental income, reversals and transactions that do not have the purpose of sale.

The new standard introduces a revenue recognition model based on four phases and requires an in-depth analysis of customer contracts. The four phases of the model are as follows:

- Determination of the total contract price: the total contract price is the total amount of the contractually agreed consideration for the goods or services that will be transferred to the customer. Its determination takes into account the variable consideration, the financial components included in the consideration, non-monetary considerations and considerations to be paid to the customer.
- Identification of the elementary accounting unit: once the total price of the contract has been established, the elementary units of account (called performance obligations), i.e. the individual goods, services or other performances promised to the customer, are identified. The following do not constitute elementary accounting units: (i) goods and services under a contract that are integrated or interdependent with each other, (ii) services under a contract that are not part of the typical activities of the party that drafts the financial statements, and (iii) guarantees provided by law. In the case of contracts that are not particularly complex, where the

separation of the individual accounting units produces insignificant effects, or if the different services are provided at the same time, the company may refrain from applying the above rules.

- Allocation of price among different elementary accounting units: once the obligations/promises included within a contract have been identified, the total price is allocated to each elementary accounting unit on the basis of the ratio of the selling price of the individual elementary accounting unit to the sum of the selling prices of all elementary accounting units included in the contract. The price allocation criterion is based on the price at which the company would separately supply a good or provide a service to the customer. This price is the contractually agreed price, unless it differs significantly from the price list, taking into account the discounts normally applied. If the reference price is not directly observable, it must nevertheless be estimated by means of the following approaches: (i) the adjusted market price valuation approach, (ii) the expected cost plus margin approach and (iii) the residual method (i.e. by the difference between the total price of the contract and the sum of the observable stand-alone selling prices of other goods or services included in the contract). If it is not possible to estimate with certainty the selling price of elementary accounting units, the selling price of those units is set equal to the cost incurred.
- Recognition of revenue from the sale of goods and/or provision of services: once the total price of the contract has been determined and the elementary accounting units have been identified, revenue recognition can proceed on an accrual basis. With reference to the sale of goods, the standard requires, as a prerequisite for recognising revenue, that two requirements be met: (i) the substantial, and not formal, transfer of the risks and rewards associated with the sale, and (ii) the ability to reliably determine the amount of the revenue subject to the service. With regard to revenues for services, the standard envisages recognition in profit or loss based on the stage of completion of the service only when both of the following conditions are met: (i) the right to the consideration, based on the agreements with the counterparty, accrues as the service is performed and (ii) the amount of the revenue can be measured reliably. Revenue is recognised over the contractual term only if the reporting entity is able to accurately assess the progress of the service, otherwise revenue for the service provided can only be recognised when the service is finally completed.

If the reporting entity subsequently revises the estimates underlying the initial recognition of revenue, it updates the amount of revenue to reflect any additional information that the passage of time may provide about the assumptions or events on which the original estimate was based. If there is a change in the contract that envisages an additional service for an additional fee, it is accounted for separately. In the event of a change in consideration only or a change in the services to be provided, the effects of the change are accounted for by allocating the residual value of the contract to the services to be rendered.

OIC 34 provides two options for the first application of the standard: retroactive or prospective. Retroactive application contemplates the application of the provisions of OIC 29 for changes in accounting standards. The reporting entity may also decide not to adjust the comparative figures and adjust the opening balance of equity for the current period. Alternatively, a prospective, and to some extent simplified, application is permitted, referring only to contracts entered into on or after 1 January 2024.

NextGeo Group applied the new standard as of 1 January 2024 using the prospective application method referring only to contracts entered into on or after 1 January 2024.
Considering the fact that the Group revenues are mainly attributable to contract work in progress (for which the provisions of accounting standard OIC 23 continue to apply) and, residually, to contracts with a single performance obligation, there is no significant impact on revenues resulting from the application of the new accounting standard.

CORRECTION OF MAJOR ERRORS

No corrections of material errors relating to previous periods were made during the period.

COMPARABILITY AND ADAPTATION ISSUES

There were no problems with comparability and adjustment of items of the financial statements during the period.

VALUATION CRITERIA APPLIED

The consolidated condensed interim financial statements as of 30 June 2024, prepared in accordance with Art. 18 of the Issuers' Regulation, have been prepared in accordance with accounting standard OIC 30 and all other applicable OICs.

The consolidated condensed interim financial statements as of 30 June 2024 do not include all the information required in the annual financial statements and, consequently, must be read in conjunction with the Group annual consolidated financial statements for the year ended 31 December 2023, published on the institutional website www.nextgeo.eu, Investor Relations, Investor, Financial Statements and Periodic Reports section.

The valuation criteria applied in the preparation of the consolidated condensed interim financial statements as of 30 June 2024, except for the adoption of the new accounting standard OIC 34 “Revenues”, do not differ from the valuation criteria adopted in the preparation of the consolidated financial statements as of 31 December 2023.

Discretionary valuations and accounting estimates

The preparation of the consolidated condensed interim financial statements requires the Directors to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and disclosure of contingent assets and liabilities at the interim reporting date. If, in the future, these estimates and assumptions, which are based on the Directors' own best judgement, should differ from the actual circumstances, they will be adjusted appropriately in the period in which the circumstances change. It should also be noted that certain valuation processes, particularly the more complex ones, such as the determination of any impairment of non-current assets, are generally only carried out in full during the preparation of the annual financial statements, when all the information that may be necessary is available, except in cases where there are impairment indicators that require an immediate assessment of any impairment.

As of 30 June 2024, appropriate assessments were made of the existence of indicators that an asset may be impaired. The dynamics of the business recorded during the period examined did not show the existence of any asset impairment indicators and, therefore, no impairment tests were carried out on the assets recorded in the consolidated condensed interim financial statements as of 30 June 2024.

SEASONALITY OF THEACTIVITY

The Group activities and, consequently, its economic, financial and asset performance, are influenced by weather conditions. The Group operations, in all the jurisdictions in which it operates (located in the Northern Hemisphere), are generally lower in the autumn and winter months (October to March), when adverse weather conditions are more likely to be encountered, than during the rest of the year.

Considering the numerous and complex dynamics that influence the Group economic, equity and financial performance, the analysis of interim results cannot be considered as a proportionate share of the full-year results.

ASSETS

FIXED ASSETS

INTANGIBLE FIXED ASSETS

The table below shows the breakdown of intangible assets as of 30 June 2024, compared to the situation as of 31 December 2023:

Values in Euro units	1H 2024	2023	Change
1) start-up and expansion costs	3,293,084	352	3,292,732
2) development costs	159,267	201,356	(42,089)
3) Industrial patent rights and rights to use intellectual property	140,000	160,000	(20,000)
4) concessions, licences, trademarks and similar rights	87,262	62,541	24,721
5) Goodwill	1,396,540	1,272,335	124,205
6) fixed assets under construction and advances	-	-	-
7) other	1,572,283	1,387,978	184,305
Total intangible fixed assets	**6,648,436**	**3,084,562**	**3,563,874**

Intangible fixed assets as of 30 June 2024 amounted to EUR 6,648,436 and mainly refer to costs incurred for the listing on EGM, goodwill allocated to Next Geosolutions Ukcs Ltd and Subonica Srl, included in the cost originally incurred for the acquisition of these companies, and improvements made on third-party vessels chartered in by the Group.

Changes in intangible fixed assets

The table below shows the changes in intangible assets during the first half of 2024:

Values in Euro units	Start-up and expansion costs	Development costs	Industrial patent rights and rights to use intellectual property	Concessions, licences, trademarks and similar rights	Goodwill	Intangible fixed assets under construction and advances	Other intangible fixed assets	Total intangible fixed assets
Value at the beginning of the period								
Cost	14,196	885,359	200,000	534,238	2,181,488	-	2,252,834	6,068,115
Revaluations	-	-	-	-	-	-	-	-
Amortisation (Amortisation/depreciation fund)	(13,844)	(684,003)	(40,000)	(471,697)	(909,153)	-	(864,856)	(2,983,553)
Write-downs	-	-	-	-	-	-	-	-
Book value	**352**	**201,356**	**160,000**	**62,541**	**1,272,335**	**-**	**1,387,978**	**3,084,562**
Changes over the period								
Increases for acquisitions	3,658,656	-	-	43,400	-	-	422,737	**4,124,793**
Reclassifications (of the book value)	-	-	-	-	-	-	-	-
Decreases for sales and disposals (of the book value)	-	-	-	-	-	-	-	-
Revaluations during the period	-	-	-	-	-	-	-	-
Amortisation of the period	(365,924)	(42,089)	(20,000)	(18,679)	(230,647)	-	(244,154)	(921,493)

Write-downs during the period	-	-	-	-	-	-	-	-
Changes in the scope of consolidation	-	-	-	-	354,852	-	-	354,852
Other changes	-	-	-	-	-	-	5,722	5,722
Total changes	**3,292,732**	**(42,089)**	**(20,000)**	**24,721**	**124,205**	**-**	**184,305**	**3,563,874**
Value at the end of the period								
Cost	3,672,852	885,359	200,000	577,638	2,536,340	-	2,683,117	10,555,306
Revaluations	-	-	-	-	-	-	-	-
Depreciation (Amortisation/depreciation fund)	(379,768)	(726,092)	(60,000)	(490,376)	(1,139,799)	-	(1,110,835)	(3,906,870)
Write-downs	-	-	-	-	-	-	-	-
Book value	**3,293,084**	**159,267**	**140,000**	**87,262**	**1,396,540**	**-**	**1,572,283**	**6,648,436**

Capital expenditure in the first half of 2024 amounted to EUR 4,124,793, of which EUR 3,658,656 related to expenses incurred for listing and EUR 422,737 related to improvements on third-party vessels chartered in by the Group. The change in the scope of consolidation refers to the goodwill included in the cost incurred for the acquisition of Subonica Srl.
The item other changes refers to conversion differences arising from the conversion into Euros of the financial statements of Next Geosolutions Ukcs Ltd, expressed in Pounds Sterling.

TANGIBLE FIXED ASSETS

The table below shows the breakdown of tangible fixed assets as of 30 June 2024, compared with the situation as of 31 December 2023:

Values in Euro units	1H 2024	2023	Change
1) land and buildings	2,040,636	2,067,790	(27,154)
2) plants and machinery	37,747	1,799	35,948
3) industrial and commercial equipment	8,105,925	8,030,225	75,700
4) other assets	32,450,978	29,068,837	3,382,141
5) fixed assets under construction and advances	6,531,269	88,817	6,442,452
Total tangible fixed assets	**49,166,555**	**39,257,468**	**9,909,087**

Tangible Fixed Assets as of 30 June 2024 amounted to EUR 49,166,555 and mainly referred to vessels owned by the Group, including the value of improvements made over time, equipment used to perform geophysical and geotechnical analysis activities, and the value of the Norwich property where the company Next Geosolutions Ukcs Ltd. is located. Assets under construction and advances mainly refer to advances paid as of 30 June 2024 for the purchase of the new survey vessel (to be named NG Surveyor), for the purchase of the Schilling Heavy Duty (HD) ROV and additional specialised equipment.

Changes in tangible fixed assets

The table below shows the changes in tangible assets during the first half of 2024:

Values in Euro units	Land and buildings	Plants and machinery	Industrial and commercial equipment	Other tangible fixed assets	Tangible fixed assets under construction and advances	Total tangible Fixed Assets
Value at the beginning of the period						
Cost	2,190,553	189,429	12,569,426	32,198,557	88,817	47,236,782
Revaluations	-	-	-	-	-	-
Depreciation (Amortisation/depreciation fund)	(122,763)	(187,630)	(4,539,201)	(3,129,720)	-	(7,979,314)

Write-downs	-	-	-	-	-	-
Book value	**2,067,790**	**1,799**	**8,030,225**	**29,068,837**	**88,817**	**39,257,468**
Changes over the period						
Increases for acquisitions	-	40,906	788,374	4,372,963	6,531,269	11,733,512
Reclassifications (of the book value)	-	801	88,817	(801)	(88,817)	-
Decreases for sales and disposals (of the book value)	-	-	-	-	-	-
Revaluations during the period	-	-	-	-	-	-
Amortisation of the period	(27,154)	(6,091)	(895,424)	(1,029,820)	-	(1,958,489)
Write-downs during the period	-	-	-	-	-	-
Changes in the scope of consolidation	-	-	93,933	37,500	-	131,433
Other changes	-	332	-	2,299	-	2,631
Total changes	**(27,154)**	**35,948**	**75,700**	**3,382,141**	**6,442,452**	**9,909,087**
Value at the end of the period						
Cost	2,190,553	231,468	13,690,962	36,633,018	6,531,269	59,277,270
Revaluations	-	-	-	-	-	-
Depreciation (Amortisation/depreciation fund)	(149,917)	(193,721)	(5,585,037)	(4,182,040)	-	(10,110,715)
Write-downs	-	-	-	-	-	-
Book value	**2,040,636**	**37,747**	**8,105,925**	**32,450,978**	**6,531,269**	**49,166,555**

Capital expenditure for the first half of 2024 amounted to EUR 11,733,512, of which EUR 4,467,800 was for improvements to Group-owned vessels (of which EUR 131,208 related to advance payments as of 30 June 2024), EUR 3,161.741 for the advance payment for the purchase of the new survey vessel (which will be named NG Surveyor), EUR 3,023,637 for the advance payment related to the purchase of the Schilling Heavy Duty (HD) ROV and EUR 1,080,335 for specialised machinery and equipment (of which EUR 214,683 related to advance payments as of 30 June 2024).
Changes in the scope of consolidation refer to tangible assets (mainly a coastal vessel, ROV Observation Class and other specialised machinery and equipment) held by Subonica Srl at the date of purchase.
The item other changes refers to conversion differences arising from the conversion into Euros of the financial statements of Next Geosolutions Ukcs Ltd, expressed in Pounds Sterling.

FINANCIAL FIXED ASSETS

The table below shows the breakdown of Financial Fixed Assets as of 30 June 2024, compared to the situation as of 31 December 2023:

Values in Euro units	1H 2024	2023	Change
1) equity investments in			
d) undertakings controlled by parent companies	18	2,118	(2,100)
d-bis) other undertakings	23,740	23,740	-
Total equity investments	**23,758**	**25,858**	**(2,100)**
2) receivables			
d-bis) from others			
due within one year	40,014,527	14,527	40,000,000
due beyond one year	199,754	179,800	19,954
Total receivables from others	40,214,281	194,327	40,019,954
Total receivables	**40,214,281**	**194,327**	**40,019,954**
Total financial fixed assets	**40,238,039**	**220,185**	**40,017,854**

The item Financial Fixed Assets as of 30 June 2024 amounted to EUR 40,238,039 and mainly refers to investments in time deposits of part of the cash raised through the listing transaction, receivables for security deposits and insurance policies, and the minority interests in the companies under the control of the parent company Marnavi Shipping Management Pvt, the minority interests in Mar.Te. Scarl, Consorzio Cluster Blue Italian Growth, Consorzio Area Tech and Banca di Credito Cooperativo S.c.

Changes in equity investments

The table below shows the changes in equity investments during the first half of 2024:

Values in Euro units	Equity investments in undertakings subject to the control of the parent companies	Equity investments in other undertakings	Total tangible Fixed Assets
Value at the beginning of the period			
Cost	2,118	23,740	25,858
Revaluations	-	-	-
Write-downs	-	-	-
Book value	**2,118**	**23,740**	**25,858**
Changes over the period			
Increases for acquisitions	-	-	-
Reclassifications (of the book value)	-	-	-
Decreases for sales and disposals (of the book value)	(2,100)	-	(2,100)
Revaluations during the period	-	-	-
Write-downs during the period	-	-	-
Other changes	-	-	-
Total changes	**(2,100)**	**-**	**(2,100)**
Value at the end of the period			
Cost	18	23,740	23,758
Revaluations	-	-	-
Write-downs	-	-	-
Book value	**18**	**23,740**	**23,758**

Divestments in the first half of 2024 refer to the sale of the 2% equity investment in the company under the control of the parent company FinImm Srl.

Changes and maturity of receivables in financial fixed assets

The table below shows the change in receivables recognised as financial fixed assets during the first half of 2024 and the maturity of receivables recognised in the financial statements as of 30 June 2024:

Values in Euro units	Long-term receivables from others	Total long-term receivables
Value at the beginning of the period	194,327	194,327
Changes over the period	40,019,954	40,019,954
Value at the end of the period	40,214,281	40,214,281
Portion falling due within the financial year	40,014,527	40,014,527
Portion falling due beyond the financial year	199,754	199,754
Of which with a residual maturity of more than 5 years	-	-

The change in long-term receivables in the first half of 2024 refers for EUR 40,000,000 to the investment in time deposits of part of the cash raised with the listing on Euronext Growth Milan.

Breakdown of long-term receivables by geographical area

The table below shows the breakdown of long-term receivables by geographical area:

Values in Euro units

Geographical area	Total	Italy
Receivables from others	40,214,281	40,214,281
Total long-term receivables	40,214,281	40,214,281

CURRENT ASSETS

INVENTORIES

The table below shows the breakdown of the item Inventories as of 30 June 2024, compared with the situation as of 31 December 2023:

Values in Euro units	1H 2024	2023	Change
1) raw, ancillary materials and consumables	994,564	872,023	122,541
3) contract work in progress	33,346,331	123,038,120	(89,691,789)
5) advances	-	22,400	(22,400)
Total inventories	**34,340,895**	**123,932,543**	**(89,591,648)**

The item Inventories as of 30 June 2024 amounted to EUR 34,340,895 and mainly refers to EUR 994,564 in inventories of bunkers and lubricants on board ships and EUR 33,346,331 in the value of contract work in progress (job orders) valued using the percentage of completion method.
The decrease in this item is the result of the combined effect of the decrease due to the completion of major contracts outstanding at 31 December 2023 and the simultaneous increase due to the progress of contracts in progress at 30 June 2024.
The Days Inventory Outstanding (DIO) decreased from 300 days as of 31 December 2023 to 59 days as of 30 June 2024. This figure highlights the excellent operating performance achieved by the Group, which resulted in significant beneficial effects on working capital and cash flows from operations.
The table below details the change during the period:

Values in Euro units	Total	Raw materials	Contract work in progress	Advances
Value at the beginning of the period	123,932,543	872,023	123,038,120	22,400
Changes over the period	(90,187,945)	118,075	(90,283,620)	(22,400)
Conversion differences	596,297	4,466	591,831	-
Value at the end of the period	34,340,895	994,564	33,346,331	-

RECEIVABLES

The table below shows the breakdown of Receivables as of 30 June 2024, compared with the situation as of 31 December 2023:

Values in Euro units	1H 2024	2023	Change
1) from customers	41,212,466	38,662,375	2,550,091
4) from parent companies	666,541	902,432	(235,891)
5-bis) tax receivables	1,967,816	2,111,022	(143,206)
5-ter) prepaid taxes	667,642	523,631	144,011
5-quater) from others	6,614,982	4,312,011	2,302,971
Total receivables	**51,129,447**	**46,511,471**	**4,617,976**

Receivables from customers
Receivables from customers as of 30 June 2024 amounted to EUR 41,212,466 against EUR 38,662,375 as of 31 December 2023.
The increase in trade receivables as of 30 June 2024, amounting to EUR 2,550,091, was mainly due to the growth of the Group business. The Days Sales Outstanding (DSO) decreased from 96 days as of 31 December 2023 to 72 days as of 30 June 2024. This reduction, also taking into account the growth of the business, highlights the excellent management of the credit department and the quality of the Group receivables portfolio.

Receivables from parent companies
Receivables from parent companies as of 30 June 2024 amounted to EUR 666,541 against EUR 902,432 as of 31 December 2023 and refer to trade receivables from the parent company Marnavi SpA.

Tax receivables
Tax receivables as of 30 June 2024 amounted to EUR 1,967,816 (of which EUR 178,929 due beyond the next financial year) compared to EUR 2,111,022 as of 31 December 2023.
The item, amounting to EUR 1,967,816 as of 30 June 2024, mainly refers to tax credits in the amount of EUR 984,073 (for further details in reference to research and development activities, please refer to the specific paragraph in the Report on Operations and further on in the Notes to the Financial Statements), credits for withholding taxes incurred in the amount of EUR 822,833 and VAT in the amount of EUR 154,593.
The portion of tax credits due beyond the following year refers to tax credits for which the possibility of offsetting in annual instalments is envisaged.

Prepaid taxes
Prepaid taxes as of 30 June 2024 amounted to EUR 667,642 compared to EUR 523,631 as of 31 December 2023.
The table below details the changes in prepaid taxes during the first half of 2024:

Values in Euro units	2023	Changes over the period	1H 2024
Foreign exchange valuation losses	282,099	(521)	281,578
Unpaid cash deductible costs	120,000	132,000	252,000
Write-down of receivables	118,250	335	118,585
Tax losses	3,282	12,197	15,479
Total prepaid taxes	**523,631**	**144,011**	**667,642**

Deferred tax assets have been recognised, in accordance with the principle of prudence, only in cases where there is reasonable certainty of their future recovery, i.e. when there are sufficient taxable temporary differences in future periods in which the deductible temporary difference is expected to be reversed.

Receivables from others
Receivables from others as of 30 June 2024 amounted to EUR 6,614,982 against EUR 4,312,011 as of 31 December 2023.
This item mainly refers to receivables for advances paid to suppliers in the amount of EUR 2,533,517, receivables for non-repayable grants (ARES, NSS2023 and NGR2025) in the amount of EUR 2,282,839, and receivables for insurance indemnities to be received in the amount of EUR 1,747,673.

Breakdown of receivables included in current assets by geographical area

The table below shows the breakdown of receivables recognised as current assets by geographical area:

Values in Euro units	Total	Italy	Europe	Other
1) from customers	41,212,466	18,159,372	22,678,167	374,927
4) from parent companies	666,541	666,541	-	-
5-bis) tax receivables	1,967,816	1,960,432	7,384	-
5-ter) prepaid taxes	667,642	658,550	9,092	-
5-quater) from others	6,614,982	6,557,375	57,607	-

Total receivables included in current assets	**51,129,447**	**28,002,270**	**22,752,250**	**374,927**

Breakdown of receivables included in current assets by maturity

The table below shows the breakdown of receivables recognised as current assets by maturity:

Values in Euro units	Book value	Due within one year	Due beyond one year	Due beyond 5 years
1) from customers	41,212,466	41,212,466	-	-
4) from parent companies	666,541	666,541	-	-
5-bis) tax receivables	1,967,816	1,788,887	178,929	-
5-ter) prepaid taxes	667,642	-	-	-
5-quater) from others	6,614,982	6,614,982	-	-
Total receivables included in current assets	**51,129,447**	**50,282,876**	**178,929**	**-**

It should be noted that, in line with the provisions of the Italian Civil Code and the national accounting standards dictated by the Italian Accounting Body (Organismo Italiano di Contabilità - OIC), deferred tax assets are not broken down between the portion due within the next year and the portion due after the next year.

CASH AND CASH EQUIVALENTS

The table below shows the breakdown of Cash and cash equivalents as of 30 June 2024, compared with the situation as of 31 December 2023:

Values in Euro units	1H 2024	2023	Change
1) bank and postal deposits	27,227,625	17,765,848	9,461,777
3) cash on hand and liquid assets	15,878	8,876	7,002
Total cash and cash equivalents	**27,243,503**	**17,774,724**	**9,468,779**

Cash and cash equivalents as of 30 June 2024 amounted to EUR 27,243,503 and refer to EUR 27,227,625 in cash on bank accounts and EUR 15,878 in cash on the vessels NG Driller and NG Worker.
The increase in this item, more fully illustrated in the cash flow statement, is summarised in the following table:

Values in Euro units	Cash and cash equivalents
Value at the beginning of the period	17,774,724
Financial flow arising from operating activity	18,410,902
Financial flow arising from investing activity	(56,403,097)
Financial flow arising from financing activity	47,308,960
Exchange rate effect on cash and cash equivalents	152,014
Value at the end of the period	27,243,503

ACCRUED INCOME AND DEFERRED EXPENSES

The table below shows the balance of accrued income and prepaid expenses as of 30 June 2024, compared with the situation as of 31 December 2023:

Values in Euro units	1H 2024	2023	Change
Accrued income and deferred expenses	**819,332**	**2,609,896**	**(1,790,564)**

Accrued income and prepaid expenses as of 30 June 2024 amounted to EUR 819,332 and mainly refer to the deferral of insurance costs, vessel charters, subscriptions, and other costs pertaining to subsequent periods.
The table below shows the breakdown of accrued income and prepaid expenses by maturity:

Values in Euro units	Book value	Due within one year	Due beyond one year	Due beyond 5 years
Accrued income and deferred expenses	819,332	805,822	13,510	-

LIABILITIES

SHAREHOLDERS' EQUITY

The table below shows the breakdown of shareholders' equity as of 30 June 2024, compared with the situation as of 31 December 2023:

Values in Euro units	1H 2024	2023	Change
I - Capital	600,000	500,000	100,000
II - Share premium reserve	49,900,000		49,900,000
IV - Legal reserve	163,055	163,055	-
VI - Other reserves, separately indicated			
Extraordinary reserve	5,991	5,991	-
Reserve from differences in conversion	150,689	22,794	127,895
Euro rounding reserve	(3)	(1)	(2)
Total other reserves	**156,677**	**28,784**	**127,893**
VIII - Profits (losses) brought forward	48,466,245	20,022,194	28,444,051
IX - Profit (loss) for the period	21,065,746	29,182,051	(8,116,305)
X - Negative reserve for treasury shares in portfolio	-	(738,000)	738,000
Total group shareholders' equity	**120,351,723**	**49,158,084**	**71,193,639**
Minority shareholders' equity			
Capital and minority interest	71,307	60,571	10,736
Minority profit (loss)	7,547	10,736	(3,189)
Total minority interest in shareholders' equity	**78,854**	**71,307**	**7,547**
Total consolidated shareholders' equity	**120,430,577**	**49,229,391**	**71,201,186**

Shareholders' equity as of 30 June 2024 amounted to EUR 120,430,577, of which EUR 120,351,723 pertaining to the Group and EUR 78,854 pertaining to minority shareholders.

Changes to shareholders' equity

The table below shows the changes in shareholders' equity during the first half of 2024:

Values in Euro units	Capital	Share premium reserve	Legal reserve	Extraordinary reserve	Reserve from differences in conversion	Euro rounding reserve	Total other reserves	Profits (losses) brought forward	Profit (loss) for the period	Negative reserve for treasury shares in portfolio	Total group shareholders' equity	Capital and minority interest	Minority profit (loss)	Total minority interest in shareholders' equity	Total shareholders' equity
Value at the beginning of the period	**500,000**	**-**	**163,055**	**5,991**	**22,794**	**(1)**	**28,784**	**20,022,194**	**29,182,051**	**(738,000)**	**49,158,084**	**60,571**	**10,736**	**71,307**	**149,229,391**
Destination of the previous period result															
Other destinations								29,182,051	(29,182,051)		-	10,736	(10,736)	-	-
Other changes															
Cancellation of treasury shares								(738,000)		738,000	-				-
Capital increase	100,000	49,900,000									50,000,000				50,000,000

Change in the conversion reserve					127,895		127,895				127,895				127,895
Rounding up/down						(2)	(2)				(2)				(2)
Result for the period									21,065,746		21,065,746		7,547	7,547	21,073,293
Value at the end of the period	**600,000**	**49,900,000**	**163,055**	**5,991**	**150,689**	**(3)**	**156,677**	**48,466,245**	**21,065,746**	**-**	**120,351,723**	**71,307**	**7,547**	**78,854**	**120,430,577**

As shown in the table above, the increase in shareholders' equity in the first half of 2024 stems mainly from the capital increase realised through the listing on EGM and the positive result for the period, amounting to EUR 21,073,293.

Reconciliation of shareholders' equity and profit for the period of the Parent Company and the consolidated condensed interim financial statements

The table below shows the reconciliation between the equity and the result for the period of the Parent Company and the consolidated condensed interim financial statements:

Values in Euro units	Shareholders' equity	Result
Shareholders' equity and result for the period of the Parent Company	**119,871,230**	**21,064,694**
Difference between book value of equity investments and quota of shareholders' equity	574,298	13,425
Elimination of intra-group (gains) losses	(2,581)	(8,338)
Accounting for finance leases using the financial method	(12,370)	3,512
Shareholders' equity and result for the period as reported in the consolidated condensed interim financial statements	**120,430,577**	**21,073,293**

PROVISIONS FOR RISKS AND CHARGES

The table below shows the breakdown of the item Provisions for risks and charges as of 30 June 2024, compared with the situation as of 31 December 2023:

Values in Euro units	1H 2024	2023	Change
1) for pensions and similar obligations	192,278	181,801	10,477
2) for taxes, even deferred	367,720	1,457,835	(1,090,115)
Total provisions for risks and charges	**559,998**	**1,639,636**	**(1,079,638)**

The item Provisions for risks and charges as of 30 June 2024 amounted to EUR 559,998 and referred to the provision for deferred taxes in the amount of EUR 367,720 and the provision for termination indemnities in favour of directors in the amount of EUR 192,278.

Changes to the Provision for risks and charges

The table below shows the changes in the provision for risks and charges during the first half of 2024:

Values in Euro units	Provision for pensions and similar obligations	Provision for taxes, even deferred	Total Provision for risks and charges
Value at the beginning of the period	**181,801**	**1,457,835**	**1,639,636**
Changes over the period			
Provision in the period	10,477	320,625	331,102
Use in the period		(1,410,740)	(1,410,740)
Other changes			
Total changes	**10,477**	**(1,090,115)**	**(1,079,638)**
Value at the end of the period	**192,278**	**367,720**	**559,998**

As shown in the table above, the decrease in the item derives from the net effect of the increases for provisions for directors' severance indemnity in the amount of EUR 10,477 and the decrease in the provision for deferred taxes in the amount of EUR 1,090,115

The table below details the changes in the provision for deferred taxes during the first half of 2024:

Values in Euro units	2023	Changes over the period	1H 2024
Interim orders	1,134,760	(1,134,760)	-
Deferred on undistributed profits	47,095	42,240	89,335
Foreign exchange gains	275,980	2,405	278,385
Total provision for deferred taxes	**1,457,835**	**(1,090,115)**	**367,720**

EMPLOYEE SEVERANCE INDEMNITIES

The table below shows the provision for employee severance indemnities as of 30 June 2024, compared with the situation as of 31 December 2023:

Values in Euro units	1H 2024	2023	Change
Employee Severance Indemnities	1,549,846	1,383,977	165,869

The employee severance indemnity recorded in the consolidated condensed interim financial statements as of 30 June 2024 represents the Group actual payable to employees in force at that date, determined in accordance with the provisions of Article 2120 of the Italian Civil Code and national and supplementary labour contracts in force at the date of the financial statements.

Changes to employee severance indemnities

The table below details the changes in employee severance indemnities during the first half of 2024:

Values in Euro units	Employee Severance Indemnities
Value at the beginning of the period	**1,383,977**
Changes over the period	
Provision in the period	224,000
Use in the period	(58,131)
Other changes	-
Total changes	**165,869**
Value at the end of the period	**1,549,846**

As shown in the table above, the increase for the period derives from the net effect of provisions for severance indemnities for the period in the amount of EUR 224,000 and utilisations in the amount of EUR 58,131.

PAYABLES

The table below shows the breakdown of Payables as of 30 June 2024, compared with the situation as of 31 December 2023:

Values in Euro units	1H 2024	2023	Change
3) payables to shareholders for loans	529,000	529,000	-
4) payables to banks	23,996,127	26,469,791	(2,473,664)
5) payables to other lenders	509,055	676,649	(167,594)
6) advances	6,750,000	116,601,712	(109,851,712)

7) payables to suppliers	31,775,079	22,922,695	8,852,384
11) payables to parent companies	10,348,613	6,113,444	4,235,169
11-bis) payables to undertakings controlled by the parent companies	167,302	140,347	26,955
12) tax payables	9,552,000	3,927,855	5,624,145
13) payables to pension funds and social security institutions	346,864	221,734	125,130
14) other payables	1,194,989	1,653,386	(458,397)
Total payables	**85,169,029**	**179,256,613**	**(94,087,584)**

Payables to shareholders for loans
Payables to shareholders for loans as of 30 June 2024 amount to EUR 529,000 and refer to financial payables due after one year to the parent company Marnavi SpA.

Payables to banks
Amounts due to banks as of 30 June 2024 amounted to EUR 23,996,127 (of which EUR 13,473,534 due beyond the next financial year) as opposed to EUR 26,469,791 as of 31 December 2023 (of which EUR 15,920,547 due beyond the next financial year).
The decrease in this item, amounting to EUR 2,473,664, was possible mainly due to the significant cash flows generated by operations during the first half of 2024, which allowed the Group, as shown in the cash flow statement to which we refer for further details, to reduce short- and medium/long-term debt.
It should be noted that in the first half of 2024 the Group, even with significant investments, did not take out any new loans.
The table below shows the changes in bank borrowings as of 30 June 2024 and the related reconciliation with the cash flows shown in the cash flow statement:

Values in Euro units	2023	Cash flows from the cash flow statement	Other changes	1H 2024
Payables to banks for current account overdrafts and short-term advances	5,815,304	(183,974)	34,087	5,665,417
Bank loans payable (including the portion due within one year)	20,654,487	(2,339,472)	15,695	18,330,710
Total payables to banks	**26,469,791**	**(2,523,446)**	**49,782**	**23,996,127**

The item Other changes, amounting to EUR 49,782, refers to translation differences arising from the conversion into Euro of the financial statements of Next Geosolutions Ukcs Ltd, expressed in Pounds Sterling, for EUR 34,087, and to the change in the scope of consolidation related to the acquisition of Subonica Srl, for EUR 15,695.
It should be noted that there are financial covenants on two loans, to be calculated annually on the values of the consolidated financial statements of the parent company Marnavi SpA. The financial covenants refer to the Gross Operating Margin / Financial Charges ratio, the Net Financial Position / EBITDA ratio and the Net Financial Position / Shareholders' Equity ratio. These parameters, based on the data from the latest consolidated financial statements of the parent company Marnavi SpA, are met.

Payables to other lenders
Amounts due to other lenders as of 30 June 2024 amounted to EUR 509,055 (of which EUR 217,811 due beyond the next financial year) as opposed to EUR 676,649 as of 31 December 2023 (of which EUR 348,726 due beyond the next financial year).
The balance of the item as of 30 June 2024 relates entirely to payables for existing finance lease agreements, which are accounted for in the consolidated financial statements using the financial method as recommended by accounting standard OIC 17.
The decrease in this item, equal to EUR 167,594, refers to repayments of the principal portion of lease instalments due in the period under review.
The table below shows the changes in payables to other lenders as of 30 June 2024 and the related reconciliation with the cash flows presented in the cash flow statement:

Values in Euro units	2023	Cash flows from the cash flow statement	Other changes	1H 2024
Payables to other lenders	676,649	(167,594)	-	509,055
Total payables to banks	**676,649**	**(167,594)**	**-**	**509,055**

Advances
Advances as of 30 June 2024 amounted to EUR 6,750,000 against EUR 116,601,712 as of 31 December 2023. This item represents the value of advance payments received from customers for job orders in progress at the date of the financial statements. The decrease for the period is mainly due to the completion of major contracts outstanding at 31 December 2023.

Payables to suppliers
Payables to suppliers as of 30 June 2024 amounted to EUR 31,775,079 compared to EUR 22,922,695 as of 31 December 2023.
The increase in payables to suppliers as of 30 June 2024, amounting to EUR 8,852,384, was mainly due to the growth of the Group business. The average Days Payables Outstanding (DPO) for trade payables, despite the increase in the volume of business, were substantially in line with 31 December 2023, showing a slight increase from 97 days as of 31 December 2023 to 101 days as of 30 June 2024.

Payables to parent companies
Payables to parent companies as of 30 June 2024 amounted to EUR 10,348,613 as opposed to EUR 6,113,444 as of 31 December 2023 and referred entirely to trade payables to the parent company Marnavi SpA, mainly related to chartered in vessels.
The increase of EUR 4,235,169 in payables to parent companies as of 30 June 2024 is also attributable to the increase in the Group business volume.

Payables to undertakings controlled by the parent companies
Payables to companies subject to the control of parent companies as of 30 June 2024 amounted to EUR 167,302 as opposed to EUR 140.347 as of 31 December 2023 and consisted of EUR 167,300 in payables to Navalcantieri Italia Srl and for EUR 2 in payables to Marnavi Shipping Management Pvt.

Tax payables
Taxes payable as of 30 June 2024 amounted to EUR 9,552,000 as opposed to EUR 3,927,855 as of 31 December 2023. The increase in this item with respect to 31 December 2023 is substantially related to the increase in direct tax payables in the amount of EUR 3,813,432, VAT payable in the amount of EUR 1,324,557, and withholding tax payables in the amount of EUR 487,064.
The balance of the item as of 30 June 2024 mainly refers to direct tax payables in the amount of EUR 7,066,465, VAT payables in the amount of EUR 1,668,346 and withholding tax payables in the amount of EUR 810,669.
It should be pointed out here that in Italy, Article 4 of Law 30/98 envisages that companies carrying out the activities indicated in the second paragraph of that Article are granted a tax credit corresponding to the personal income tax due on wages paid to crew members on board vessels entered in the International Register, to be used for the purposes of paying withholding tax on such income.

Payables to pension funds and social security institutions
Payables to social security institutions as of 30 June 2024 amounted to EUR 346,864 compared to EUR 221,734 as of 31 December 2023. The increase in this item compared to 31 December 2023 is substantially related to the increase in personnel.
The balance of the item as of 30 June 2024 refers mainly to payables to INPS [Italian Social Security Institute] in the amount of EUR 318,209.
It should be pointed out here that in Italy, Article 6 of Law 30/98 states that companies carrying out the activities indicated in paragraph 1 of that Article, for personnel meeting the requirements of Article 119 of the navigation code and embarked on vessels entered in the International Register referred to in Article 1 of Law 30/98, as well as the aforementioned personnel, are exempt from paying the social security and welfare contributions due by law.

Other payables

Other payables as of 30 June 2024 amounted to EUR 1,194,989.

The balance of the item as of 30 June 2024 refers mainly to payables to directors and personnel, including payables for deferred charges and net of advances paid, in the amount of EUR 975,694, and payables for the payment of the balance of the purchase price of 100% of the capital of Subonica Srl in the amount of EUR 212,000.

Breakdown of payables by geographical area

The table below shows the breakdown of payables by geographical area:

Values in Euro units	Total	Italy	Europe	Other
3) payables to shareholders for loans	529,000	529,000	-	-
4) payables to banks	23,996,127	23,014,960	981,167	-
5) payables to other lenders	509,055	509,055	-	-
6) advances	6,750,000	-	6,750,000	-
7) payables to suppliers	31,775,079	10,197,720	21,047,790	529,569
11) payables to parent companies	10,348,613	10,348,613	-	-
11-bis) payables to undertakings controlled by the parent companies	167,302	167,300	-	2
12) tax payables	9,552,000	7,285,502	2,266,498	-
13) payables to pension funds and social security institutions	346,864	331,101	15,763	-
14) other payables	1,194,989	1,194,853	136	-
Total payables	**85,169,029**	**53,578,104**	**31,061,354**	**529,571**

Breakdown of payables by maturity

The table below shows the breakdown of payables by maturity:

Values in Euro units	Book value	Due within one year	Due beyond one year	Due beyond 5 years
3) payables to shareholders for loans	529,000	-	529,000	-
4) payables to banks	23,996,127	10,522,593	13,473,534	-
5) payables to other lenders	509,055	291,244	217,811	-
6) advances	6,750,000	6,750,000	-	-
7) payables to suppliers	31,775,079	31,775,079	-	-
11) payables to parent companies	10,348,613	10,348,613	-	-
11-bis) payables to undertakings controlled by the parent companies	167,302	167,302	-	-
12) tax payables	9,552,000	9,552,000	-	-
13) payables to pension funds and social security institutions	346,864	346,864	-	-
14) other payables	1,194,989	1,194,989	-	-
Total payables	**85,169,029**	**70,948,684**	**14,220,345**	

Payables secured by collateral on Group assets

The table below shows the breakdown between secured and unsecured debts:

Values in Euro units	Book value	Secured by collateral	Not secured by collateral
3) payables to shareholders for loans	529,000	-	529,000
4) payables to banks	23,996,127	2,894,737	21,101,390
5) payables to other lenders	509,055	-	509,055
6) advances	6,750,000	-	6,750,000
7) Payables to suppliers	31,775,079	-	31,775,079
11) Payables to parent companies	10,348,613	-	10,348,613
11 -bis) Payables to undertakings controlled by the parent companies	167,302	-	167,302
12) Tax payables	9,552,000	-	9,552,000

13) payables to pension funds and social security institutions	346,864	-	346,864
14) Other payables	1,194,989	-	1,194,989
Total payables	**85,169,029**	**2,894,737**	**82,274,292**

ACCRUED EXPENSES AND DEFERRED INCOME

The table below shows the balance of accrued expenses and deferred income as of 30 June 2024, compared with the situation as of 31 December 2023:

Values in Euro units	1H 2024	2023	Change
Accrued expenses and deferred income	1,876,757	1,881,232	(4,475)

Accrued expenses and deferred income as of 30 June 2024 amounted to EUR 1,876,757 and refer to the deferral of grants for plant in the amount of EUR 1,688,929, the deferral of revenues accruing in subsequent periods in the amount of EUR 100,000, and accrued interest expenses in the amount of EUR 87,828.
The table below shows the breakdown of accrued expenses and deferred income by maturity:

Values in Euro units	Book value	Due within one year	Due beyond one year	Due beyond 5 years
Accrued expenses and deferred income	1,876,757	822,065	1,054,692	-

INCOME STATEMENT

VALUE OF PRODUCTION

The table below shows the breakdown of Value of Production as of 30 June 2024, compared with the situation as of 30 June 2023:

Values in Euro units	1H 2024	1H 2023	Change
1) revenues from sales and services	190,788,890	28,888,317	161,900,573
3) changes in contract work in progress	(90,283,620)	40,670,746	(130,954,366)
5) other revenues and income			
operating grants	353,968	1,562,003	(1,208,035)
other	3,241,760	328,333	2,913,427
Total other revenues and income	**3,595,728**	**1,890,336**	**1,705,392**
Total value of production	**104,100,998**	**71,449,399**	**32,651,599**

The value of production as of 30 June 2024 amounted to EUR 104,100,998, an increase of EUR 32,651,599 (+45.7%) compared to the first half of 2023. The dynamics behind the significant increase in the value of production are fully explained in the Report on Operations, to which we refer for further details.

Revenues from sales and services
Revenues from sales and services as of 30 June 2024 amounted to EUR 190,788,890 against EUR 28,888,317 (+560.4%) as of 30 June 2023. The increase in this item is substantially related to (i) the reclassification to revenues from sales and services of payments on account related to important job orders completed during the period and in progress in previous periods, (ii) the increase in the number of job orders managed and completed during the period, and (iii) the increase in the value of individual contracts, determined by the management of more important job orders.

Breakdown of revenues from sales and services by business category
The table below shows the breakdown of revenues from sales and services by category of activity:

Values in Euro units	Total	Windfarms	Interconnectors	Other
Revenues from sales and services	190,788,890	70,964,490	118,633,939	1,190,461
% of total	100.0%	37.2%	62.2%	0.6%

Breakdown of revenues from sales and services by geographical area
The table below shows the breakdown of revenues from sales and services by geographical area:

Values in Euro units	Total	Italy	Europe	Other
Revenues from sales and services	190,788,890	60,344,788	130,444,102	-
% of total	100.0%	31.6%	68.4%	0.0%

Considering the type of business conducted, it is also deemed important to highlight the distribution of revenues from sales and services according to the maritime areas of reference:

Values in Euro units	Total	Mediterranean	Northern Seas
Value of production	190,788,890	84,973,090	105,815,800
% of total	100.0%	44.5%	55.5%

Changes in contract work in progress

The change in contract work in progress as of 30 June 2024 amounted to a negative EUR 90,283,620 against a positive EUR 40,670,746 (-322.0%) as of 30 June 2023. The change in this item, as with revenues from sales and services, is attributable to the completion in the first half of 2024 of major contracts in progress in previous periods.

Other revenues and income

Operating grants

Operating subsidies as of 30 June 2024 amounted to EUR 353,968 compared to EUR 1,562,003 (-77.3%) as of 30 June 2023. This item refers mainly to grants pursuant to Article 4 of Italian Law 30/98 in the amount of EUR 352,310.

Other

Other revenues within the item "Other revenues and income" as of 30 June 2024 amounted to EUR 3,241,760 compared to EUR 328,333 as of 30 June 2023 (+887.3%). As of 30 June 2024, this item mainly refers to:

- insurance indemnities for the period in the amount of EUR 1,511,830.
- recharges of costs to third parties in the amount of EUR 1,403,100;
- grants (in the form of tax credits) for 4.0 investments, pursuant to Article 1, paragraphs 1054 to 1058 of Italian Law 178/2020, for a total value of EUR 249,655;
- to grants for investments in South Italy, pursuant to Article 1, paragraphs 98 to 108 of Italian Law 2018/2015, as amended, in the amount of EUR 74,248;

Breakdown of production value by category of activity

The table below shows the breakdown of production value by category of activity:

Values in Euro units	Total	Windfarms	Interconnectors	Other
Value of production	104,100,998	40,846,599	58,468,210	4,786,189
% of total	100.0%	39.2%	56.2%	4.6%

Breakdown of value of production by geographical area

The table below shows the breakdown of value of production by geographical area:

Values in Euro units	Total	Italy	Europe	Other
Value of production	104,100,998	17,715,731	86,385,267	-
% of total	100.0%	17.0%	83.0%	0.0%

Considering the type of business conducted, it is deemed important to highlight the distribution of the value of production according to the maritime areas of reference:

Values in Euro units	Total	Mediterranean	Northern Seas
Value of production	104,100,998	43,455,961	60,645,037
% of total	100.0%	41.7%	58.3%

PRODUCTION COSTS

The table below shows the breakdown of Production costs as of 30 June 2024, compared with the situation as of 30 June 2023:

Values in Euro units	1H 2024	1H 2023	Change
6) for raw, ancillary materials and consumables	7,616,399	4,383,667	3,232,732
7) for services	35,039,235	25,128,196	9,911,039

8) for leased assets	25,822,684	17,393,977	8,428,707
9) for personnel			
a) wages and salaries	6,235,430	4,459,185	1,776,245
b) social security charges	778,317	586,824	191,493
c) severance indemnity	224,000	163,763	60,237
d) pensions and similar benefits	10,477	13,600	(3,123)
e) other costs	2,028	-	2,028
Total costs for personnel	**7,250,252**	**5,223,372**	**2,026,880**
10) amortisation, depreciation and write-downs			
a) amortisation of intangible fixed assets	921,493	415,270	506,223
b) depreciation of tangible fixed assets	1,958,489	887,057	1,071,432
d) write-downs of receivables included in current assets and cash and cash equivalents	-	1,087,737	(1,087,737)
Total amortisation, depreciation and write-downs	**2,879,982**	**2,390,064**	**489,918**
11) changes in raw, ancillary materials, consumables and goods	(118,075)	126,158	(244,233)
14) various operating charges	101,580	52,498	49,082
Total production costs	**78,592,057**	**54,697,932**	**23,894,125**

Cost of production in the first half of 2024 amounted to EUR 78,592,057, an increase of EUR 23,894,125 (+43.7%) compared to the first half of 2023. The dynamics that led to an increase in the cost of production that was less than proportional to the increase in the value of production are fully explained in the Report on Operations, to which we refer you for further details.

Costs for raw, ancillary, consumable materials and goods

The cost of raw, ancillary, consumable materials and goods as of 30 June 2024 amounted to EUR 7,616,399 compared to EUR 4,383,667 (+73,7%) as of 30 June 2023.
The table below shows the breakdown of the item as of 30 June 2024 compared to the situation as of 30 June 2023:

Values in Euro units	**1H 2024**	**1H 2023**
Bunkers and lubricants	6,212,707	3,678,023
Consumables and spare parts	1,279,018	657,929
Other	124,673	47,715
Total costs for materials	**7,616,398**	**4,383,667**

The increase in this item is substantially related to the increase in the volume of business and the expansion of the Group fleet of owned vessels, which led, in particular, to an increase in costs for bunkers, lubricants, consumables and spare parts.

Costs for services

Costs for services as of 30 June 2024 amounted to EUR 35,039,235 against EUR 25,128,196 (+39,4%) as of 30 June 2023.
The table below shows the breakdown of the item as of 30 June 2024 compared to the situation as of 30 June 2023:

Values in Euro units	**1H 2024**	**1H 2023**
Costs for specialised non-employee personnel	13,611,839	8,387,337
Subcontractor costs	8,326,395	8,864,841
Ship management costs	4,317,112	2,042,757
Consulting	3,375,934	2,621,152
Costs for personnel-related services	1,682,429	990,945

Directors', Statutory Auditors' and Auditors' fees	1,372,172	511,002
Insurance	583,071	393,542
Transport and logistics	441,318	393,026
Maintenance	413,752	274,404
Commissions	189,598	142,699
Expenses for utilities (electricity, gas, telephone, etc.)	78,264	70,796
Other	647,351	435,695
Total costs for services	**35,039,235**	**25,128,196**

The table above shows a significant increase in service costs mainly related to the increase in the volume of business. As a result of the dynamics related to the realisation of the various projects in which the Group is engaged and thanks to the strategies of internalisation of certain activities and competences, there was a reduction in subcontract costs in the first half of 2024 compared to the first half of 2023.

Costs for leased goods

Lease and rental costs as of 30 June 2024 amounted to EUR 25,822,684 against EUR 17,393,977 (+48,5%) as of 30 June 2023.
The table below shows the breakdown of the item as of 30 June 2024 compared to the situation as of 30 June 2023:

Values in Euro units	**1H 2024**	**1H 2023**
Sea freight	18,123,473	11,398,111
Equipment hire	7,300,414	5,637,494
Software licences	200,470	184,635
Office and warehouse rents	125,783	109,361
Rental of office machines and other goods	72,544	64,376
Total costs for leased goods	**25,822,684**	**17,393,977**

The increase in this item compared to the first half of 2023, as shown in the table above, is mainly due to the increase in costs for chartering third-party vessels (related to both the increase in business volume and the increase in charter rates) and for equipment hire (mainly related to the increase in business volume).

Costs for personnel

Personnel costs as of 30 June 2024 amounted to EUR 7,250,252 against EUR 5,223,372 (+38,8%) as of 30 June 2023.
The table below shows the breakdown of the item as of 30 June 2024 compared to the situation as of 30 June 2023:

Values in Euro units	**1H 2024**	**1H 2023**
a) wages and salaries	6,235,430	4,459,185
b) social security charges	778,317	586,824
c) severance indemnity	224,000	163,763
d) pensions and similar benefits	10,477	13,600
e) other costs	2,028	-
Total costs for personnel	**7,250,252**	**5,223,372**

The increase in the item in the first half of 2024 results from the increase in the number of employees compared to the first half of 2023. The average number of employees increased from about 133 in the first half of 2023 to about 164 in the first half of 2024. The increase in personnel costs, as indicated in the Report on Operations, also responds to the need to internalise certain skills and reduce dependence on the external market.

Amortisation, depreciation and write-downs

Depreciation, amortisation and write-downs as of 30 June 2024 amounted to EUR 2,879,982 against EUR 2,390,064 (+20,5%) as of 30 June 2023.
The table below shows the breakdown of the item as of 30 June 2024 compared to the situation as of 30 June 2023:

Values in Euro units	**1H 2024**	**1H 2023**
a) amortisation of intangible fixed assets	921,493	415,270
b) depreciation of tangible fixed assets	1,958,489	887,057
d) write-downs of receivables included in current assets and cash and cash equivalents	-	1,087,737
Total amortisation, depreciation and write-downs	**2,879,982**	**2,390,064**

The increase in this item compared to the first half of 2023 was mainly due to the significant investments made during the period and the start of amortisation/depreciation for certain assets acquired during the previous period. Without taking into account the write-downs of receivables included in current assets, the increase in this item compared to the first half of 2023 was EUR 1,577,655 (+121.1%).
For further details on depreciation and amortisation, see the Intangible Assets and Tangible Assets sections of the Notes to the Financial Statements.

Changes in inventories of raw, ancillary materials, consumables and goods
The item Change in inventories of raw, ancillary materials, consumables and goods as of 30 June 2024 amounted to negative (reduction of costs) EUR 118,075 as opposed to positive (costs) EUR 126,158 as of 30 June 2023 and refers to inventories of bunkers and lubricants on board ships. For further details on the changes in this item in the period, please refer to the section on Inventories.

Sundry operating charges
Sundry operating expenses as of 30 June 2024 amounted to EUR 101,580 compared to EUR 52,498 as of 30 June 2023. This item includes minor costs relating to operating activities, which are not classified in the previous items of production costs.

FINANCIAL INCOME AND CHARGES

The table below provides a breakdown of financial income and charges as of 30 June 2024, compared to the situation as of 30 June 2023:

Values in Euro units	**1H 2024**	**1H 2023**	**Change**
16) other financial income			
d) income other than above			
other	147,610	2,486	145,124
Total income other than above	**147,610**	**2,486**	**145,124**
Total other financial income	**147,610**	**2,486**	**145,124**
17) interest and other financial charges			
other	791,879	741,282	50,597
Total interest and other financial charges	**791,879**	**741,282**	**50,597**
17-bis) exchange gains and losses	(99,014)	(82,913)	(16,101)
Total financial income and charges (15 + 16 - 17 + - 17-bis)	**(743,283)**	**(821,709)**	**78,426**

Financial management showed a net negative balance of EUR 743,283 as of 30 June 2024, as opposed to a net negative balance of EUR 821,709 as of 30 June 2023 (-9.5%). The improvement in the balance of financial operations was particularly affected by the reduction in net financial debt resulting from both the cash raised from the EGM listing and the reduction in short- and medium/long-term financial debt.

Other financial income

The item Other financial income as of 30 June 2024 amounted to EUR 147,610 against EUR 2,486 as of 30 June 2023 and refers mainly to interest accrued on time deposits in which part of the cash raised through the listing transaction on EGM was invested.

Interest and other financial charges

The item interest and other financial expenses as of 30 June 2024 amounted to EUR 791,879, a slight increase over the first half of 2023 (+6.8%).

Breakdown of interest and other financial charges by type of payables

The table below shoes the breakdown of interest and other financial charges by type of payables:

Values in Euro units	Total	Payables to banks	Finance leases	Other
Interest and other financial charges	791,879	725,559	6,891	59,429

Exchange gains and losses

Foreign exchange gains and losses as of 30 June 2024 showed a net balance (foreign exchange losses) of EUR 99,014 compared to a net balance (foreign exchange losses) of EUR 82,913 as of 30 June 2023. As indicated in the Financial Risks section of the Report on Operations, to which reference should be made for further details, it should be noted that the Group does not hedge against the risk of exchange rate fluctuations, as it considers this risk, also based on historical data, to be insignificant.
The table below shows the breakdown of foreign exchange gains and losses as of 30 June 2024 between realised foreign exchange gains and losses and valuation gains and losses, compared to the situation as of 30 June 2023:

Values in Euro units	1H 2024	1H 2023
Realised foreign exchange gains and losses	171,623	27,506
Foreign exchange valuation gains and losses	(72,609)	55,406
Total foreign exchange gains and losses	**99,014**	**82,912**

There were no significant changes in currency exchange rates after the end of the financial year.

TAXES

The table below shows the composition of the item Income Taxes for the year, current, deferred and prepaid as of 30 June 2024, compared with the situation as of 30 June 2023:

Values in Euro units	1H 2024	1H 2023	Change
20) Current, deferred and prepaid income taxes for the period			
current taxes	4,541,668	2,556,801	1,984,867
taxes relating to previous periods	386,287	517	385,770
deferred and prepaid taxes	(1,235,590)	(727,815)	(507,775)
Total current, deferred and prepaid income taxes for the period	**3,692,365**	**1,829,503**	**1,862,862**

This item includes current, deferred and prepaid income taxes for the period, determined on the basis of the regulations applicable in the various jurisdictions in which the Group operates. The increase in this item compared to the previous period is attributable to the higher pre-tax profit realised in the first half of 2024 compared to the first half of 2023. The tax rate (calculated as the ratio of total tax to profit before tax) as of 30 June 2024 stands at 14.9%. Without taking into account taxes from previous periods, the tax rate is 13.3%.
As indicated in the Directors' Interim Report on Operations, to which we refer you for further details, the Group Italian companies, in order to determine their taxable income, benefit from both the facilitation provided by Article 4, Paragraph 1 of Italian Decree-Law No. 457/1997 (as amended by Article 13, Paragraph 1 of Italian Law No. 488/199) called "international registration" and the optional flat-rate taxation regime called "tonnage tax" provided by Articles 155 to 161 of the Italian Consolidated Income Tax Act (TUIR).

ADDITIONAL INFORMATION

Employment data
The table below shows the average number of employees of the Group during the first half of 2024 broken down by category, compared with the same figure for the first half of 2023:

	1H 2024	1H 2023
Executives and middle managers	25	20
Office employees	88	74
Maritime	51	39
Total	**164**	**133**

The increase in the number of employees compared to the first half of 2023 is attributable both to the increase in the volume of business and, above all, to the decision to internalise certain skills deemed essential for the realisation of future development plans, while reducing dependence on the external market.

Compensation, advances, and credits granted to directors and statutory auditors and commitments undertaken on their behalf
The table below shows the remuneration accrued by directors and auditors of the parent company Next Geosolutions Europe SpA as of 30 June 2024:

Values in Euro units	Directors	Statutory Auditors
Remuneration	1,289,963	12,133
End-of-mandate indemnity	10,477	-
Total	**1,300,440**	**12,133**

Auditing firm fees
The fees payable to the independent auditors for the limited audit of the consolidated condensed interim financial statements as of 30 June 2024 amount to EUR 15,000.
These consolidated condensed interim financial statements as of 30 June 2024 are subject to a limited review by PricewaterhouseCoopers SpA.

Categories of shares issued by Group companies
As of 30 June 2024, the share capital of the parent company Next Geosolutions Europe SpA consisted of 48,000,000 shares divided as follows:
- 46,500,000 ordinary shares, subject to the dematerialisation regime pursuant to Articles 83-bis et seq. of the Italian Consolidated Law on Finance, with no indication of nominal value and with an accounting par value of EUR 0.0125. Ordinary shares entitle the holders to one (1) vote for each share held at ordinary and extraordinary shareholders’ meetings of the Company and the other patrimonial and administrative rights due to shareholders under the law and the Articles of Association.
- 1,500,000 A shares, held by the parent company Marnavi SpA, subject to the dematerialisation regime pursuant to Article 83-bis et seq. of the Italian Consolidated Law on Finance, with no indication of par value and with an accounting parity of EUR 0.0125. The A shares entitle the holders to 10 (ten) votes pursuant to Article 2351(4) of the Italian Civil Code at the Company ordinary and extraordinary shareholders' meetings and the other patrimonial and administrative rights due to shareholders pursuant to the law and the Articles of Association. Pursuant to the provisions of the Company Articles of Association, these shares automatically convert into ordinary shares if they are transferred to parties other than the parent company Marnavi SpA and its subsidiaries.

Securities issued by Group companies
The parent company and the subsidiaries did not issue any debt securities during the period, nor were any debt securities of the parent company and subsidiaries outstanding as of 30 June 2024.

Financial instruments issued by Group companies
The parent company and subsidiaries did not issue any financial instruments during the period, nor were any financial instruments of the parent company and subsidiaries outstanding as of 30 June 2024.

Commitments, guarantees, and potential liabilities not resulting from the balance sheet
Below are the guarantees given by the group companies that are not shown in the balance sheet:

Values in Euro units

Type	Description	Amount
Guarantees in rem	Mortgages on Group assets related to financing transactions	2,894,737
Personal guarantees	Sureties related to transactions of a commercial nature	19,602,122
Total		**22,496,859**

Assets or financing earmarked for a specific business deal
As of 30 June 2024, the Group had no assets or financing earmarked for a specific business deal.

Transactions with related parties
The Group has adopted a specific “Procedure for the Regulation of Transactions with Related Parties”, which was approved by the Board of Directors of the parent company Next Geosolutions Europe SpA at its meeting on 15 May 2024. The Procedure was adopted - in accordance with Art. 13 of the Euronext Growth Milan Issuers’ Regulation adopted by Borsa Italiana SpA on 1 March 2012, as subsequently amended and supplemented - pursuant to Art. 1 of the Provisions on Related Parties approved by Borsa Italiana SpA in 2019 as subsequently amended and supplemented, applicable to transactions with related parties carried out by companies listed on Euronext Growth Milan (“Provisions on Related Parties”) and art. 10 of the regulation containing provisions on transactions with related parties adopted by Consob with resolution no. 17221 of 12 March 2010, as amended and supplemented (the “Related Parties Regulation”), to the extent referred to in the EGM Issuers’ Regulation.
The aforementioned “Procedure for the Regulation of Transactions with Related Parties” is available on the institutional website www.nextgeo.eu, Investor Relations, Governance, Documents and Procedures section.
In the first half of 2024, the Group conducted transactions with related parties. These transactions are concluded at arm length. There were no transactions with related parties that were atypical and/or unusual and/or outside the ordinary course of business.
For details of transactions with related parties, please refer to the relevant section of the Directors' Interim Report on Operations.

Information on agreements not shown in the Balance Sheet
As of 30 June 2024, the Group had no agreements not shown in the balance sheet.

Significant events after the end of the period
The following significant events that characterised the Group operations after 30 June 2024 are noted:

- The investment for the purchase of the 150-horsepower Schilling *Heavy Duty (HD) ROV* and of the related ancillary equipment (*Tether Management System* - TMS, *Launch and Recovery System* - LARS, *umbilical,* surface unit for control, piloting and operations management, etc.), was completed in September 2024. This system is in addition to the Group current equipment and will enable the development of the higher volumes of business planned for the coming periods.
- In September 2024, activities began on the Istituto Superiore per la Protezione e la Ricerca Ambientale (ISPRA) project to map marine habitats. NextGeo group won the tender, worth a total of EUR 42.5 million, organised by Invitalia on behalf of ISPRA. The initiative is part of the National Recovery and Resilience Plan (NRRP) for the period 2021-2026 (specifically under Mission 2 “Green Revolution and Ecological Transition”, with particular reference to Investment 3.5 “Restoration and protection of the seabed and marine habitats”). The project foresees the achievement of the following specific objectives: mapping and characterisation of marine habitats; restoration of marine habitats; enhancement of research and observation of marine and coastal ecosystems; protection of biodiversity; and environmental awareness and education. Specifically, NextGeo activities include mapping, Multibeam and Sub Bottom Profiler geophysical surveys, Remotely Operated Vehicle (ROV), Conductivity Temperature Depth (CTD) and currentometry and technical data processing services. These operations will be carried out with two Group-owned vessels, in the Italian

seas, between 150 and 2,000 metres deep, covering an area of over 9,000 km2. Completion is estimated for 30 June 2026.

For further details, please refer to the section “Business Outlook” in the Directors’ Interim Report on Operations.

Undertakings that prepare the financial statements of the largest/smallest group of undertakings of which it is part as a subsidiary

The table below shows the figures of the company preparing the consolidated financial statements of the largest group of companies to which NextGeo group belongs as a subsidiary:

Data	Larger ensemble
Company name	Marnavi SpA
City (if in Italy) or foreign country	Naples (Italy)
Tax code (for Italian companies)	01619820630
Place of filing of consolidated financial statements	with the Naples Business Register

Derivative financial instruments

The Group did not enter into any derivative transactions during the first half of 2024, nor were any contracts for derivative financial instruments outstanding as of 30 June 2024.

Summary statement of the financial statements of the company exercising management and coordination activities

The key figures of the parent company Marnavi SpA shown in the summary table required by Article 2497-bis of the Italian Civil Code were extracted from its financial statements for the year ended 31 December 2023. For an adequate and complete understanding of Marnavi SpA balance sheet and financial position as of 31 December 2023, as well as the economic result achieved by the company in the financial year ended on that date, please refer to the financial statements, which, accompanied by the independent auditors’ report, are available in the form and manner required by law.

The table below shows the summary statement of the financial statements of the company exercising management and coordination activities:

Values in Euro units	2023	2022
B) Fixed assets	260,920,871	233,934,563
C) Current assets	62,411,901	61,053,707
D) Accrued income and deferred expenses	6,326,795	3,083,269
Total assets	**329,659,567**	**298,071,539**
Share Capital	30,000,000	30,000,000
Reserves	140,490,391	123,469,203
Profit (loss) for the year	45,378,287	17,491,142
Total shareholders’ equity	**215,868,678**	**170,960,345**
B) Provisions for risks and charges	4,026,568	3,175,068
C) Employee Severance Indemnities	204,642	1,193,313
D) Payables	105,825,242	118,641,727
E) Accrued expenses and deferred income	3,734,437	4,101,086
Total liabilities	**329,659,567**	**298,071,539**

The table below shows the summary statement of the income statement of the company exercising management and coordination activities:

Values in Euro units	2023	2022
A) Value of production	198,098,779	184,062,057
B) Production costs	166,863,079	163,352,006
Difference between value of production and production costs (A - B)	**31,235,700**	**20,710,051**
C) Financial income and charges	(3,627,836)	(4,475,867)
D) Adjustments to the value of financial assets	19,081,627	3,298,752

Result before taxes (A - B + - C + - D)	**46,689,491**	**19,532,936**
Income taxes for the year	1,311,204	2,041,794
Profit (loss) for the year	**45,378,287**	**17,491,142**

Declaration of conformity
These consolidated condensed interim financial statements, consisting of the Balance Sheet, Income Statement, Cash Flow Statement, Notes to the Financial Statements and accompanied by the Directors' Interim Report on Operations, give a true and fair view of the Group financial position and results of operations for the period and correspond to the results of the accounting records.

Naples, 27 September 2024

Attilio Ievoli	Giovanni Ranieri	Giuseppe Maffia
Chairman of the Board of Directors	Managing director	Managing director

INDEPENDENT AUDITOR'S REPORT

NEXT GEOSOLUTIONS EUROPE SPA

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

REVIEW REPORT ON CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

To the shareholders of
Next Geosolutions Europe SpA

Foreword

We have reviewed the accompanying consolidated condensed interim financial statements of Next Geosolutions Europe SpA and its subsidiaries (the "Next Geosolutions Europe Group") as of 30 June 2024, which comprise the balance sheet, the income statement and the cashflow statement and related explanatory notes. The directors of Next Geosolutions Europe SpA are responsible for the preparation of the consolidated condensed interim financial statements in accordance with the national accounting standard applicable to interim financial reporting (OIC 30). Our responsibility is to express a conclusion on these consolidated condensed interim financial statements based on our review.

Scope of Review

We conducted our work in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of consolidated condensed interim financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than a full-scope audit conducted in accordance with International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated condensed interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated condensed interim financial statements of Next Geosolutions Europe SpA as of 30 June 2024 are not prepared, in all material respects, in accordance with the national accounting standard applicable to interim financial reporting (OIC 30).

Other Matters

The consolidated condensed interim financial statements of Next Geosolutions Europe SpA for the period ended 30 June 2023 were neither audited nor reviewed.

Naples, 27 September 2024

PricewaterhouseCoopers SpA

Signed by

Pier Luigi Vitelli
(Partner)

This review report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.