

Trevi Foundations Denmark A/S

c/o advokat Cristiano Rossi, Ordrupvej 78C, 3. th., 2920 Charlottenlund

Company reg. no. 33 75 91 42

Annual report

1 January - 31 December 2020

The annual report was submitted and approved by the general meeting on the 7 July 2021.

Antonio Arienti
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

Today, the board of directors and the managing director have presented the annual report of Trevi Foundations Denmark A/S for the financial year 1 January - 31 December 2020.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the company's results of activities in the financial year 1 January – 31 December 2020.

The board of directors and the managing director consider the conditions for audit exemption of the 2020 financial statements to be met.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

Copenhagen, 7 July 2021

Managing Director

Andrea Acerbi

Board of directors

Antonio Arienti
Chairman

Donato Ricciotti Angelillo

Andrea Acerbi

Auditor's report on compilation of the financial statements

To the shareholder of Trevi Foundations Denmark A/S

We have compiled the financial statements of Trevi Foundations Denmark A/S for the financial year 1 January - 31 December 2020 based on the company's bookkeeping and on further information provided by you.

The financial statements comprise the income statement, statement of financial position, statement of changes in equity, notes and accounting policies.

We performed this engagement in accordance with the international standard ISRS 4410 applying to compilation engagements.

We have applied our professional expertise to assist you in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements of the Danish Act on Approved Auditors and Audit Firms and with ethical requirements of the Danish Institute of State Authorised Public Accountants, including principles of integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us in order to compile the financial statements. Accordingly, we express neither an audit opinion nor a review opinion as to whether the financial statements have been compiled in accordance with the Danish Financial Statements Act.

Copenhagen, 7 July 2021

Redmark

State Authorised Public Accountants
Company reg. no. 29 44 27 89

Søren Kristiansen Bünger

State Authorised Public Accountant
mne34334

Company information

The company	Trevi Foundations Denmark A/S c/o advokat Cristiano Rossi Ordrupvej 78C, 3. th. 2920 Charlottenlund
	Company reg. no. 33 75 91 42 Financial year: 1 January - 31 December 10th financial year
Board of directors	Antonio Arienti, Chairman Donato Ricciotti Angelillo Andrea Acerbi
Managing Director	Andrea Acerbi
Auditors	Redmark Statsautoriseret Revisionspartnerselskab Dirch Passers Allé 76 2000 Frederiksberg
Parent company	Trevi Contractors B.V.

Management commentary

The principal activities of the company

The company's objective is to implement foundation works related to “The Copenhagen Cityring Project” and hereby associated activity.

The company's activity are reduced to a minimum and all employees have been terminated.

Development in activities and financial matters

The results from ordinary activities after tax are DKK 7,7m against DKK -4,9m last year. The management consider the results satisfactory.

The company have a receivable of t.DKK. 3.514 towards a group company. Danish accounting policy prescribes that no interim accounts may be shown in gross figures, why an equalization has been made agins af debt to the same company.

Going concern

The company has lost its equity. The ultimate parent company has signed a subordination letter valid untill December 31, 2021 confirming that Trevi Finanziaria Industriale SpA or one of its subsidiaries has no intensions of calling there recievables before the company has sufficient funds to settles its other creditors and make repayments without affecting the company's ability to continue as a going concern. Reference is made to note 1.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Gross profit	14.367.065	-3.155.614
Depreciation and impairment of property, land, and equipment	174.695	-80.398
Other operating costs	<u>0</u>	<u>9.905.738</u>
Operating profit	14.541.760	6.669.726
Other financial income	2.019.109	55.062
2 Other financial costs	<u>-8.841.214</u>	<u>-11.633.000</u>
Pre-tax net profit or loss	7.719.655	-4.908.212
Tax on ordinary results	<u>0</u>	<u>0</u>
Net profit or loss for the year	<u>7.719.655</u>	<u>-4.908.212</u>
Proposed appropriation of net profit:		
Transferred to retained earnings	7.719.655	0
Allocated from retained earnings	<u>0</u>	<u>-4.908.212</u>
Total allocations and transfers	<u>7.719.655</u>	<u>-4.908.212</u>

Statement of financial position at 31 December

All amounts in DKK.

Assets		<u>2020</u>	<u>2019</u>
<u>Note</u>			
Non-current assets			
3	Plant and machinery	0	212.458
4	Other fixtures and fittings, tools and equipment	0	736
	Total property, plant, and equipment	<u>0</u>	<u>213.194</u>
	Total non-current assets	<u>0</u>	<u>213.194</u>
Current assets			
	Raw materials and consumables	<u>0</u>	<u>245.671</u>
	Total inventories	<u>0</u>	<u>245.671</u>
	Trade receivables	42.478.403	29.131.830
	Receivables from group enterprises	10.731.294	10.776.117
	Other receivables	<u>2.476.803</u>	<u>77.078</u>
	Total receivables	<u>55.686.500</u>	<u>39.985.025</u>
	Cash on hand and demand deposits	<u>1.155.020</u>	<u>210.027</u>
	Total current assets	<u>56.841.520</u>	<u>40.440.723</u>
	Total assets	<u>56.841.520</u>	<u>40.653.917</u>

Statement of financial position at 31 December

All amounts in DKK.

Equity and liabilities		<u>2020</u>	<u>2019</u>
<u>Note</u>			
Equity			
Contributed capital		2.000.000	2.000.000
Retained earnings		-233.461.653	-241.181.308
Total equity		<u>-231.461.653</u>	<u>-239.181.308</u>
Liabilities other than provisions			
Payables to group enterprises		<u>253.423.723</u>	<u>254.167.044</u>
Total long term liabilities other than provisions		<u>253.423.723</u>	<u>254.167.044</u>
Trade payables		4.981.070	3.406.265
Payables to group enterprises		23.660.565	22.261.916
Other payables		<u>6.237.815</u>	<u>0</u>
Total short term liabilities other than provisions		<u>34.879.450</u>	<u>25.668.181</u>
Total liabilities other than provisions		<u>288.303.173</u>	<u>279.835.225</u>
Total equity and liabilities		<u>56.841.520</u>	<u>40.653.917</u>

- 1** Uncertainties concerning the enterprise's ability to continue as a going concern
- 5** Charges and security
- 6** Contingencies

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2019	2.000.000	-236.273.096	-234.273.096
Profit or loss for the year brought forward	<u>0</u>	<u>-4.908.212</u>	<u>-4.908.212</u>
Equity 1 January 2020	2.000.000	-241.181.308	-239.181.308
Profit or loss for the year brought forward	<u>0</u>	<u>7.719.655</u>	<u>7.719.655</u>
	<u>2.000.000</u>	<u>-233.461.653</u>	<u>-231.461.653</u>

Notes

All amounts in DKK.

1. Uncertainties concerning the enterprise's ability to continue as a going concern

The company has lost its equity. The ultimate parent company has signed a subordination letter valid until December 31, 2021 confirming that Trevi Finanziaria Industriale SpA or one of its subsidiaries has no intentions of calling their receivables before the company has sufficient funds to settle its other creditors and make repayments without affecting the company's ability to continue as a going concern.

2. Other financial costs

Financial costs, group enterprises	8.261.379	11.390.712
Other financial costs	579.835	242.288
	<u>8.841.214</u>	<u>11.633.000</u>

3. Plant and machinery

Cost 1 January 2020	10.699.384	13.254.173
Disposals during the year	<u>-10.699.384</u>	<u>-2.554.789</u>
Cost 31 December 2020	<u>0</u>	<u>10.699.384</u>
Depreciation and writedown 1 January 2020	-10.486.926	-10.658.762
Depreciation and writedown for the year	0	-80.143
Depreciation and writedown, assets disposed of	<u>10.486.926</u>	<u>251.979</u>
Depreciation and writedown 31 December 2020	<u>0</u>	<u>-10.486.926</u>
Carrying amount, 31 December 2020	<u>0</u>	<u>212.458</u>

4. Other fixtures and fittings, tools and equipment

Cost 1 January 2020	144.244	144.244
Disposals during the year	<u>-144.244</u>	<u>0</u>
Cost 31 December 2020	<u>0</u>	<u>144.244</u>
Depreciation and writedown 1 January 2020	-143.508	-143.253
Depreciation and writedown for the year	0	-255
Depreciation and writedown, assets disposed of	<u>143.508</u>	<u>0</u>
Depreciation and writedown 31 December 2020	<u>0</u>	<u>-143.508</u>
Carrying amount, 31 December 2020	<u>0</u>	<u>736</u>

Notes

All amounts in DKK.

5. Charges and security

The company has not made mortgages or securities beyond those that are disclosed in the annual report.

6. Contingencies

Contingent liabilities

The company has not made contingent liabilities beyond those that are disclosed in the annual report.

Accounting policies

The annual report for Trevi Foundations Denmark A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

Accounting policies

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Other operating costs

Other operating costs comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

Financial income and expenses

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Interest and other costs concerning loans for financing the production of intangible and tangible fixed assets and concerning the production period are not recognised in the cost of the fixed asset.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

Accounting policies

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Plant and machinery	20 years
Other fixtures and fittings, tools and equipment	5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Leases

The enterprise will be applying IAS 17 as its base of interpretation for recognition of classification and recognition of leases.

At their initial recognition in the statement of financial position, leases concerning property, plant, and equipment where the company holds all essential risks and advantages associated with the proprietary right (finance lease) are measured either at fair value or at the present value of the future lease payments, whichever value is lower. When calculating the present value, the discount rate used is the internal rate of return of the lease or, alternatively, the borrowing rate of the enterprise. Hereafter, assets held under a finance lease are treated in the same way as other similar property, plant, and equipment.

The capitalised residual lease commitment is recognised in the statement of financial position as a liability other than provisions, and the interest part of the lease is recognised in the income statement for the term of the contract.

Accounting policies

All other leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Inventories

Inventories are measured at cost on the basis of weighted measured average prices. In cases when the net realisable value is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

The net realisable value for inventories is recognised as the market price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Accounting policies

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Also, capitalised residual leasing liabilities associated with financial leasing contracts are recognised in the financial liabilities.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.