

Seli Tunneling Denmark ApS

Amager Strandvej 60, 2.
2300 København S
CVR No. 34206023

Annual report 2022

The Annual General Meeting adopted the
annual report on 28.03.2023

Vivian Rasmussen

Chairman of the General Meeting

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Entity details

Entity

Seli Tunneling Denmark ApS
Amager Strandvej 60, 2.
2300 København S

Business Registration No.: 34206023
Registered office: København
Financial year: 01.01.2022 - 31.12.2022

Board of Directors

Flavio di Pietro, Chairman
Zeno Schio
Marco Ferrara

Executive Board

Zeno Schio, CEO

Auditors

KPMG Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
2100 København Ø
CVR No.: 25578198

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Seli Tunneling Denmark ApS for the financial year 01.01.2022 - 31.12.2022.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend to the Annual General Meeting that the financial statements for the next financial year not be audited.

We recommend the annual report for adoption at the Annual General Meeting.

København, 28.03.2023

Executive Board

Zeno Schio
CEO

Board of Directors

Flavio di Pietro
Chairman

Zeno Schio

Marco Ferrara

Independent auditor's report

To the shareholders of Seli Tunneling Denmark ApS

Opinion

We have audited the financial statements of Seli Tunneling Denmark ApS for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

Emphasis of matter regarding matters in the financial statements

Going concern

We draw attention to the information in note 1, where the uncertainty about the Company's ability to continue its operation is described. Based on a confirmation from the Parent Company that it will provide support to the Company to the extent necessary, enabling the Company to continue its operation until, at least, 31 December 2023, the Management presents the Annual Report in accordance herewith on a going concern basis.

Uncertainty related to measurement of tax receivable

We draw attention to the information in note 2, where the material uncertainty related to the outcome of a tax dispute is described.

Our opinion is not modified in respect of these matters.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going

concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 28.03.2023

KPMG Statsautoriseret Revisionspartnerselskab

CVR No. 25578198

Henrik Y. Jensen

State Authorised Public Accountant

Identification No (MNE) mne35442

Management commentary

Primary activities

The subcontract with Copenhagen Metro Team I/S (CMT) has been fulfilled and now the Company is managing a tax lawsuit in front of the high court.

Development in activities and finances

No major activities to report. Relationships with sole shareholder are limited to obtaining the necessary resources to fund the running costs.

Uncertainty relating to recognition and measurement

In June 2022 the company lost the appeal to the National Tax Tribunal, where the Tribunal upheld the tax authorities decision. Management has subsequently appealed the decision to the high court acclaiming acquittal. Based on this decision management have decided to maintain the tax receivable of DKK 13.7 million. We refer to note 2.

Outlook

At present the Company is managing the lawsuit at High Court.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

Income statement for 2022

	Notes	2022 DKK	2021 DKK
Revenue		0	5,709,332
Production costs		(1,291,051)	(351,126)
Gross profit/loss		(1,291,051)	5,358,206
Other financial income	4	107	3,921,548
Other financial expenses	5	(11,095)	(10,075,892)
Profit/loss before tax		(1,302,039)	(796,138)
Tax on profit/loss for the year		0	0
Profit/loss for the year		(1,302,039)	(796,138)
Proposed distribution of profit and loss:			
Retained earnings		(1,302,039)	(796,138)
Proposed distribution of profit and loss		(1,302,039)	(796,138)

Balance sheet at 31.12.2022

Assets

	2022 DKK	2021 DKK
Trade receivables	79,184	79,184
Other receivables	1,543,326	23,522
Income tax receivable	13,739,674	13,739,674
Receivables	15,362,184	13,842,380
Cash	1,949,336	258,877
Current assets	17,311,520	14,101,257
Assets	17,311,520	14,101,257

Equity and liabilities

	Notes	2022 DKK	2021 DKK
Contributed capital	6	130,000	130,000
Retained earnings		(1,253,654)	(695,255)
Equity		(1,123,654)	(565,255)
Trade payables		2,543,944	938
Payables to group enterprises		15,891,230	14,665,574
Current liabilities other than provisions		18,435,174	14,666,512
Liabilities other than provisions		18,435,174	14,666,512
Equity and liabilities		17,311,520	14,101,257
Going concern	1		
Uncertainty relating to recognition and measurement	2		
Staff costs	3		
Contingent liabilities	7		
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Statement of changes in equity for 2022

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	130,000	(695,255)	(565,255)
Group contributions etc.	0	743,640	743,640
Profit/loss for the year	0	(1,302,039)	(1,302,039)
Equity end of year	130,000	(1,253,654)	(1,123,654)

Notes

1 Going concern

At present the Company is managing the lawsuit at High Court assessment. The Parent Company has provided the Company with a Letter of Support confirming that the Parent Company will financially support the company to the extent necessary for a minimum period ending 31 December 2023. On this basis the Management has presented the annual Report on a basis of going concern.

2 Uncertainty relating to recognition and measurement

In June 2022 the company lost the appeal to the National Tax Tribunal, where the Tribunal upheld the tax authorities decision. Management has subsequently appealed the decision to the high court acclaiming acquittal. Based on this decision management have decided to maintain the tax receivable of DKK 13.7 million. The amount relates to a tax payment based on an incorrect adjustment of DKK 78.4 million from the tax authorities in 2019. The tax payment concerns a debt remission from 2015.

3 Staff costs

	2022 DKK	2021 DKK
Average number of full-time employees	0	0

4 Other financial income

	2022 DKK	2021 DKK
Other interest income	0	3,800,168
Exchange rate adjustments	107	121,380
	107	3,921,548

5 Other financial expenses

	2022 DKK	2021 DKK
Financial expenses from group enterprises	9,028	4,159,699
Exchange rate adjustments	668	198,993
Other financial expenses	1,399	5,717,200
	11,095	10,075,892

6 Share capital

	Number	Par value DKK	Nominal value DKK
Ordinary shares	130,000	1	130,000
	130,000		130,000

7 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Copenhagen Metro Team I/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable from their entry into the joint taxation per June 15 2015 for income taxes etc. for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The total known net liability of the jointly taxed entities under the joint taxation arrangement is disclosed in the administration company's financial statements.

8 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
Webuild S.p.A., Centro Direzionale Milanofiori Strada 6 - Palazzo L - 20089 Rozzano, Milan

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Webuild S.p.A., Centro Direzionale Milanofiori Strada 6 - Palazzo L - 20089 Rozzano, Milan

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Financial Statements for 2022 are presented in DKK.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The company does not have any projects to be performed at the moment. Revenues are related to rebilling of costs to Seli Overseas SpA which were incurred by Seli Tunneling Denmark ApS according to the usufruct contract.

Production costs

Production costs are mainly related to obtaining revenue and running cost of the company.

Other financial income

Other financial income comprises, interest income, including interest income on receivables from group enterprises and foreign currency transactions etc.

Other financial expenses

Other financial expenses comprise interest expenses, bond fees and foreign currency transactions etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet**Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.