ANNUAL REPORT 2024

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ANNUAL REPORT
2024

(Translation from the Italian original which remains the definitive version)

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- MAKOR
- RONCADIN
- ROS & ROS

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and coordination of Cassa Depositi e Prestiti SpA

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SIMEST: OUR ROLE AND MISSION

SIMEST SpA is the CDP Group Company that supports the international expansion of Italian companies. It is controlled by Cassa Depositi e Prestiti, with a minority private shareholding presence (banks and entrepreneurial system).
Established in 1991 with the aim of promoting investments by Italian companies abroad and supporting them from a technical and financial point of view, since 1999 SIMEST has also managed public financial instruments to support the growth activities of Italian companies abroad, especially dedicated to SMEs. Since 2020, this management has been carried out under the guidance of the Italian Ministry of Foreign Affairs and International Cooperation (MAECI).
SIMEST uses its tools to support businesses throughout the entire international expansion development cycle, from the initial assessment of new markets to the expansion through foreign direct investments.

Business lines

1. Soft loans for international expansion

Ordinary operations. SIMEST, through management in agreement with the MAECI of the 394 Fund and related funds, finances all the main steps of the international expansion process through specific instruments: from consultancy services for the feasibility study to participation in trade fairs, from e-commerce to enter new markets.
These operations, previously suspended due to the exhaustion of available funds, were restarted on 27 July 2023, with renewed and expanded tools to support sustainability and digitalisation paths for greater competitiveness of companies and production chains in foreign markets.

Today, the loans available to companies can be requested for:
- opening of offices abroad;
- development of e-commerce;
- attendance at international fairs;
- hiring of a Temporary Manager;
- investments in digital and/or ecological transition;
- expenses for certifications and consultancy.

For SMEs that are innovative, youth-led, women-led or headquartered in the South, and for companies that meet sustainability requirements, a non-repayable co-financing of up to 10% is available. Dedicated measures have also been introduced for strategic markets, offering tailored conditions for companies — including those that are not SMEs — with interests in the Western Balkans (for which a funding ceiling of 200 million euro was allocated in 2023 and refinanced in August 2024 with an additional 200 million euro), in Africa, and for exporting companies affected by rising energy costs or by the flooding in Central and Northern Italy.

Africa Measure. Under the coordination of the Ministry of Foreign Affairs and within the framework of the Mattei Plan, in July 2024 SIMEST launched a new instrument specifically for companies with interests in Africa, with an initial allocation of 200 million euro.
The new instrument, titled "Strengthening African Markets", is open to exporting companies that have a stable presence in, export to, or source from the African continent, as well as to companies that are part of their supply chains, even if they are not direct exporters.

Companies can finance investments related to ecological and digital transition, as well as productive and commercial projects involving innovation and the transfer of know-how in both Italy and Africa. In addition, companies may fund professional training expenses in Italy or Africa for African personnel, including travel, entry, accommodation and legalisation costs in Italy for the employment of such individuals.

The measure includes the possibility of accessing a non-repayable grant of up to 10% for all companies, which can be increased to 20% for those with an operational base in Southern Italy. Companies may also request exemption from providing guarantees. Furthermore, within the Africa Reserve, a sub-reserve of 10% is earmarked for youth-led and women-led enterprises, start-ups and innovative SMEs.

Operations for exporting companies affected by flooding. To support Italian companies affected by the floods that hit the regions of central and northern Italy (Emilia-Romagna and neighbouring areas) in May 2023, SIMEST developed a package of measures, with a dedicated ceiling of 300 million euro.
The first to be launched on 26 June 2023 concerns the provision of compensation (non-repayable contributions) for exporting companies that suffered direct material damage due to the exceptional wave of bad weather.
The second, launched on 21 November 2023, concerns the granting of aid as compensation for loss of income to all exporting companies that suffered a total or partial suspension of activity for a maximum period of six months from the date of the flood event in the area where the company is located.
Following the flooding events of November 2023, the operations — both for the compensation of material damages and for loss of income relief — were extended to include the Tuscany region (in January and June 2024, respectively). These measures also provide support to companies that are not direct exporters but are part of internationally oriented supply chains.

Operations in support of exporting companies affected by the conflict in Ukraine. To support Italian companies impacted by the Russia–Ukraine conflict — particularly those involved in exports or supply chains in Ukraine, Russia and Belarus — SIMEST has implemented a dual intervention, again through the 394 Fund, consisting of soft loans with zero-interest repayment and a portion provided as a non-repayable grant. The activity ended on 31 October 2023.

NRRP operations. SIMEST was a recipient of European resources - Next Generation EU, through the National Recovery and Resilience Plan (NRRP). The operation, which consisted of three ad hoc structured soft loan lines, was suspended on 3 May 2022 due to the exhaustion of available funds.

2. Equity investments

SIMEST may acquire up to a 49% equity stake in the foreign subsidiaries of Italian companies, either through its own resources or in blending with public funds from the Venture Capital Fund, which it manages under an agreement with the MAECI. The direct participation allows further intervention of SIMEST and the Venture Capital Fund to be requested through the shareholder loan.

In addition to benefiting from the participation of SIMEST and the Venture Capital Fund for investments in non-EU countries, Italian companies can also access an interest subsidy, which allows them to reduce the cost of debt in relation to the financing of their own shareholding.

For investments in EU countries, in July 2024 the European Investment Bank (EIB) allocated a 46 million euro loan to enable companies to access medium/long-term funding under more competitive conditions for their internationalisation projects, with a specific focus on the green economy and innovation.

SIMEST may also, using only its own resources, acquire minority stakes in companies based in Italy that are investees of Italian enterprises, in connection with projects aimed at international expansion and strengthening their global presence.

Lastly, the scope of the Venture Capital Fund's operations was expanded by the 2022 Budget Law to include start-ups and innovative SMEs — an initiative carried out in close synergy between the Fund and CDP Venture Capital SGR, with the aim of strengthening the venture capital ecosystem in Italy. This amounts to 200 million euro, of which 50 million euro for direct investments and 150 million euro for indirect investments through the subscription of an International Fund of Funds, made available to foster the growth, also and above all international, of companies within these segments.

3. Export support

SIMEST, through the 295 Fund managed in agreement with the MAECI, disburses a grant that allows Italian exporters to offer their foreign customers deferred payment conditions in the medium/long term (≥ 24 months) at a subsidised fixed interest rate. This subsidy can be provided in the form of:

- Export subsidy on buyer credit: stabilisation of the interest rate of fixed-rate loans;
- Export subsidy on supplier credit: interest subsidies to support with or without recourse factoring of credit-linked notes issued by the foreign buyer.

CORPORATE OFFICES AND CONTROL BODIES

Board of Directors

APPOINTED BY THE SHAREHOLDERS' MEETING OF 27 JUNE 2022 AND IN OFFICE UNTIL THE APPROVAL OF THE 2024 FINANCIAL STATEMENTS

Chairperson

Pasquale Salzano

Chief Executive Officer and General Manager*

Regina Corradini D'Arienzo

Directors

Guido Grimaldi

Federica Diamanti**
(in office until 22 October 2024)

Roberto Rio

Roberto Rati

Barbara Beltrame Giacomello

Board of Statutory Auditors

APPOINTED BY THE SHAREHOLDERS' MEETING OF 27 JUNE 2022 AND IN OFFICE UNTIL THE APPROVAL OF THE 2024 FINANCIAL STATEMENTS

Chairperson of the Board of Statutory Auditors

Ugo Venanzio Gaspari

Standing Auditors

Franca Brusco

Paolo Cotini

Alternate auditors

Barbara Aloisi

Massimo Scarafuggi

Judge designated by the Court of Auditors (Law 259/1958)

Stefania Petrucci***

Supervisory Body****

Chairperson (external standing member)

Raffaele Squitieri

Internal standing member

Manuela Sabbatini

External standing member

Mario Casellato

Independent Auditors*****

Deloitte & Touche SpA

* Appointed Chief Executive Officer by resolution of the Board of Directors of 28 June 2022. Appointed General Manager with effect from 1 July 2022 by resolution of the Board of Directors of 28 June 2022.

** The Director Federica Diamanti resigned from the office of Member of the Board of Directors of SIMEST with effect from 23 October 2024 and was not replaced.

*** Appointed as the Delegate responsible for supervising the financial management of SIMEST SpA from 1 January 2021. By a note dated 9 December 2024, the Presidential Council of the Court of Auditors informed SIMEST of the appointment of the Director Eugenio Madeo — replacing the Director Stefania Petrucci — as the Delegate responsible for supervising the financial management of SIMEST, pursuant to Article 12 of Law no. 259/1958, effective from 1 January 2025.

**** In office until 31 December 2025.

***** Appointed by resolution of the Ordinary Shareholders' Meeting of 9 May 2023 for the financial years 2023, 2024 and 2025.

ANDREOTTI IMPIANTI

WITH US IN 2024

ANDREOTTI INDUSTRIAL PLANTS IN THE ARAB EMIRATES

A company active in the production of industrial plants for the processing of oilseeds, vegetable oils and oleochemical products, Andreotti Impianti received support through the “Export Subsidy on Supplier Credit” scheme for the export of a palm oil refining plant to Dubai.

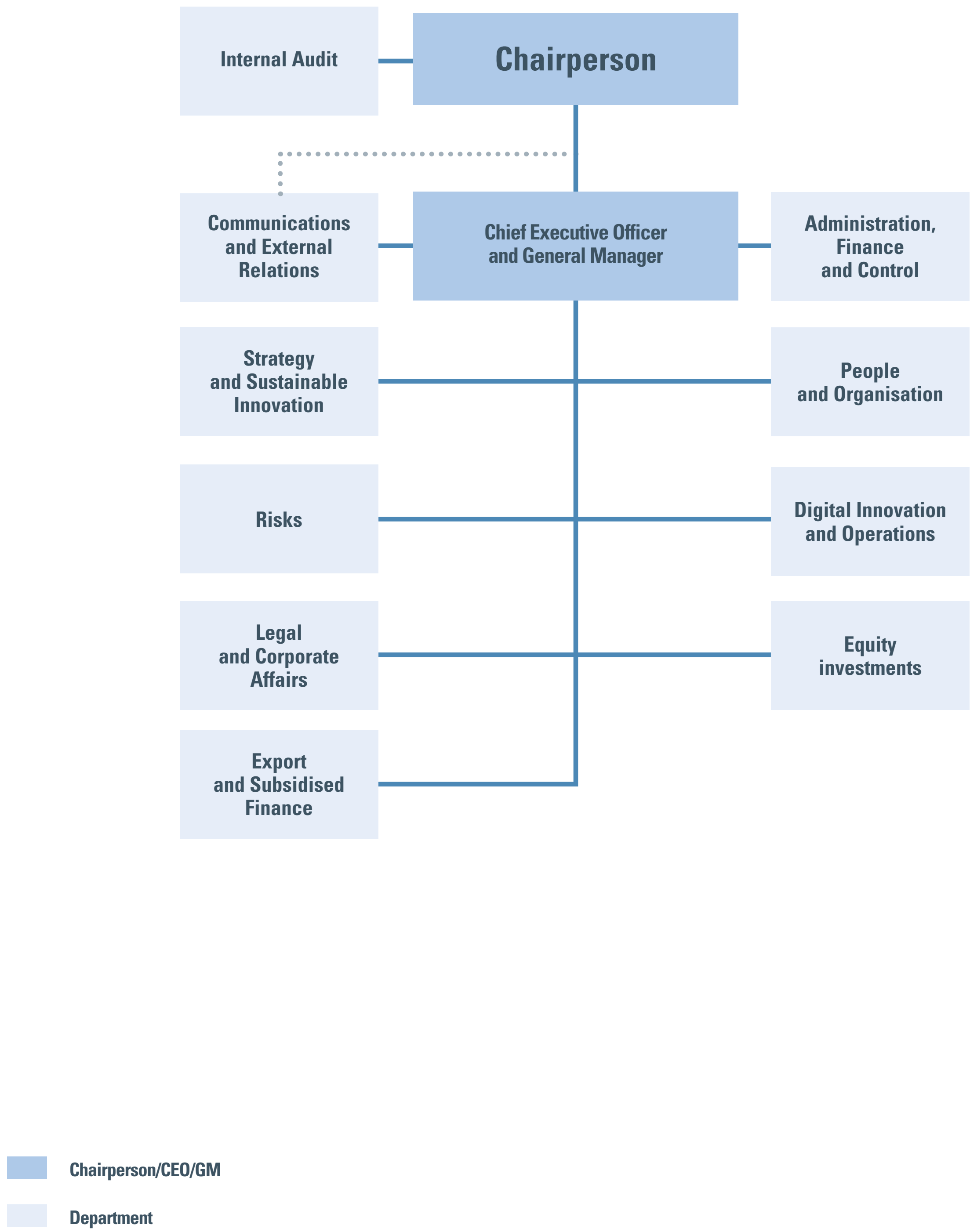
REPORT ON OPERATIONS

1. RECLASSIFIED FINANCIAL AND OPERATING HIGHLIGHTS

(millions of euro)	2024	2023	Change %
RECLASSIFIED BALANCE SHEET			
Total assets*	538	519	+4%
Receivables for equity investments	482	471	+2%
Loans payable	191	179	+6%
Equity*	321	314	+2%
RECLASSIFIED INCOME STATEMENT			
Gross income	81	65	+25%
Operating result	13	15	-11%
Net income (loss) for the year*	7.7	4.7	+64%
RESOURCES COMMITTED			
(millions of euro)			
Amounts for the year	**2024**	**2023**	**Change %**
Soft loans	1,659	1,447	+15%
Equity investments**	329	310	+6%
Total international expansion	**1,989**	**1,756**	**+13%**
Export support	5,960	6,213	-4%
Total export	**5,960**	**6,213**	**-4%**
Total new amounts	**7,949**	**7,969**	**-0.3%**
Year-end balances			
Soft loans	2,916	2,910	+0.2%
NRRP soft loans	382	400	-5%
Equity investments***	759	671	+13%
SIMEST equity investments	487	476	+2%
Venture Capital Fund equity investments	272	195	+40%
Total year-end balance	**4,057**	**3,981**	**+2%**
PERFORMANCE HIGHLIGHTS			
(units; percentages)	**2024**	**2023**	**Change %**
PROFITABILITY RATIOS			
Cost/income ratio (%)***	35	25	+40%
ROE (%)*	2.4	1.5	+60%
OPERATING STRUCTURE			
Average headcount (including secondments)***	230	220	+5%
Portfolio customers (active)	15,851	15,262	+4%
Target countries	123	125	-2%

* Pro forma 2023 figures for comparison with 2024, following the change in the calculation of direct taxes (based on the legal advice response issued by the Italian Revenue Agency in February 2025).
** The item includes: SIMEST equity investments, Venture Capital Fund equity investments and Contributions on equity investments.
*** Pro forma 2023 figures for comparison with 2024.

2. ORGANISATIONAL STRUCTURE



3. 2023-2025 STRATEGIC PLAN AND NEW 2025-2027 PLAN

The year 2024, the second year of the 2023-2025 Strategic Plan, concluded with a resource commitment of approximately 8 billion euro in support of internationalisation projects for around 4,000 companies — primarily Italian SMEs and Mid-Caps — and the achievement of the objectives set out in the Plan. The four pillars of the 2023-2025 Strategic Plan — 1. Sustainable and high-quality revenues, 2. Risk oversight, digitalisation and operational efficiency, 3. People and corporate culture, 4. Local impact and ESG — were outlined in fifteen action plans aimed at defining the guidelines for SIMEST's ongoing evolution and transformation across all areas of activity.

With regard to the first pillar, the increase in the profitability of new equity investments, which had already begun in 2023, was confirmed. Furthermore, the synergy with the parent company Cassa Depositi e Prestiti was strengthened through a joint commercial initiative, which contributed to an increase in the number of new counterparties supported. The pool of companies interested in equity instruments was also expanded thanks to a targeted effort involving financial sponsors, leading to engagement with over one hundred investment funds.

The initiatives introduced have enabled increasingly widespread engagement with local businesses interested in the Venture Capital Fund, which was refinanced with a total of 150 million euro and updated in terms of its guidelines concerning start-ups, including innovative ones, and innovative SMEs. Thanks to the continued collaboration with CDP Venture Capital, SIMEST has expanded the Fund's activities in this segment — both directly and through fund-of-funds structures — by involving start-ups and innovative SMEs in high-potential sectors such as the space economy, biotech, foodtech, e-commerce, robotics, healthcare and the circular economy.

At the beginning of the second half of the year, an agreement was signed between SIMEST and the European Investment Bank (EIB) for a financing line aimed at promoting the internationalisation of Italian businesses within the EU, particularly in the areas of green economy and innovation. Alongside the signing of the agreement, a parallel accord was concluded under which the EIB will provide a technical advisory service to support the identification and structuring of green and innovative projects.

SIMEST also innovated its subsidised finance instruments: in July, under the Mattei Plan, the new "Africa Measure" was launched, backed by a dedicated 200 million euro ceiling. This initiative targets Italian companies that import from, export to, or operate in Africa, funding expenses including training and hiring of African personnel, and offering specific incentives across SIMEST's wider product offering for projects in Africa. In line with the extraordinary measures already implemented in 2023 for businesses in Emilia-Romagna and neighbouring regions, SIMEST extended support in 2024 to Tuscan companies affected by flooding events, with two dedicated relief measures — one for material damages and one for income loss — demonstrating the responsiveness of the 394 Fund in addressing the specific needs of exporting companies. In August, the dedicated reserve for companies with interests in the Western Balkans was renewed with an additional 200 million euro to promote Italian investment in this key region for the Made in Italy brand.

Consistent with the objectives of the Strategic Plan, 2024 also saw the launch of three new international offices — in Vietnam, Brazil and Morocco — aimed at enhancing support for Italian businesses active in Southeast Asia, Latin America and Africa, thereby fostering the growth of Italian SMEs in strategic markets. These newly established foreign offices are complemented by those already operational in Serbia and Egypt, bringing SIMEST's active presence to five high-potential countries for the Made in Italy brand. This network enables the provision of consulting services specifically tailored to SMEs, developed in synergy with key institutions of the Italian national system (Sistema Paese).

Throughout 2024, SIMEST continued its digital transformation — one of the key goals of the second pillar of the Strategic Plan — through targeted developments aimed at improving internal efficiency and customer effectiveness. New areas of digitalisation and simplification strengthened the internal control framework and risk oversight, particularly through the integration of Compliance and Anti-Money Laundering systems with those of the Parent Company. In line with 2023 and the objectives of the Plan, SIMEST confirmed a significant reduction in internal processing times for equity investment operations, achieving an average decrease of 40% compared to 2022.

The digital transformation also advanced further in 2024 with the continued development of the company's Customer Relationship Management (CRM) system, enhancing both internal and Group-wide processes. Additionally, SIMEST digitalised the "Export Subsidy on Supplier Credit" instrument, whose dedicated portal for banks, financial institutions and exporting companies — launched in November — now enables online submission, tracking and management of all subsidy requests, from application to disbursement. The platform also allows users to independently run simulations for the Export Subsidy.

In terms of people and corporate culture, 2024 saw the strengthening of the path initiated in 2023 to develop an inclusive culture and promote well-being, aiming to foster a better work-life balance. During the year, SIMEST not only launched the Diversity & Inclusion Desk, but also obtained the D&I UNI PDR 125:2022 certification, which attests to the company's policies and measures implemented to ensure gender pay equity, inclusion, protection of parenthood and work-life balance. As a further confirmation of its commitment to the well-being of its employees, SIMEST adopted the "Manifesto for the Right to Disconnect", a pilot project for the entire Cassa Depositi e Prestiti Group, designed to promote a better balance between work and personal life.

In line with 2023, and with the goal of enhancing the well-being and quality of life for its employees, SIMEST continues to offer free medical assistance services and on-site specialist visits. In addition, the remote psychological support service has been strengthened, reflecting a concrete commitment to the health and well-being of employees. Initiatives dedicated to new parents have been introduced, and the welfare catalogue has been expanded to include new agreements for cultural activities, leisure, caregiving and sustainable mobility.

Particular attention has been given to the enhancement of human capital through the strengthening of tailor-made training programmes for management, enriching the training offer by engaging leading internationally recognised players and planning new training courses to strengthen skills. Throughout 2024, the international mobility programmes launched with SIMEST's Partner companies around the world – in Romania, the USA, the Czech Republic and the United Arab Emirates – continued, with the goal of fostering the development of skills among the participating employees and enhancing their professional relationships. Throughout the year, activities to disseminate and promote SIMEST culture and business were strengthened throughout the country through dedicated events with universities and companies, both in person and online, including through Brand Ambassadors.

Regarding the impact on the territory and ESG issues, there has been an increased focus on investments supported by SIMEST, expanding the library of reference ESG KPIs and achieving over 90% of contracts signed with KPIs linked to improving environmental, social and governance performance. During the year, a structured collaboration was also finalised with the Parent Company to support ex ante assessments of certain categories of equity investments, adopting the Group methodology, ex post assessments and the impact of SIMEST's operations in terms of value generated, GDP and employment, as well as estimates of SIMEST's contribution to export and internationalisation dynamics.

In line with its 2023-2025 Plan, SIMEST has continued to promote internal initiatives aimed at training and raising awareness among its employees on sustainability issues, including social utility initiatives in support of organisations operating on a daily basis in the local area. During the year, collaboration with and contributions to "Protagonisti d'impatto" (Impact Leaders), a corporate volunteering programme promoted by Cassa Depositi e Prestiti for the benefit of the Group, were strengthened, as was collaboration with the relevant departments on the organisation of social awareness days and initiatives. As regards listening to the main categories of stakeholders, the programme of meetings with businesses and institutions continued in 2024, with a view to strengthening dialogue with local communities and consolidating SIMEST's commitment to creating impact.

In the last few months of 2024, a new Strategic Plan for 2025-2027 was also drawn up, which was integrated into the CDP Group's Strategic Plan and the Group's ESG Plan. The new Plan aims in particular to strengthen the competitiveness and access of SMEs to international markets through:

- the innovation of SIMEST's offering and the development of structured partnerships to increase the number of Italian exporting and internationalised SMEs — with a focus on Southern Italy — by enhancing the range of subsidised finance instruments and evolving equity investments. It also aims to support national strategic supply chains through agreements with lead firms and by assisting international SMEs in implementing their ESG Plans.
- SIMEST's strategic support for the sustainable and international growth paths of SMEs, by means of training programmes targeted at Southern-based, youth-led and women-led SMEs, the expansion of foreign offices, matchmaking activities and the launch of advisory services for Partner companies during the phases of international transition.

The new 2025-2027 Plan will also introduce a new phase of digital transformation, particularly aimed at enhancing the control system and the customer's digital experience. It will strengthen the ESG strategy – in line with the Group's ESG Plan – through a renewed approach to ESG risks and impact measurement, and by supporting high-impact projects in collaboration with SIMEST's Partners. Furthermore, the Plan will launch a new pathway to enhance human capital through the development of strategic and international skills, well-being policies, and, above all, a further consolidation of SIMEST's positioning in the field of Diversity & Inclusion.

4. MARKET CONTEXT

Macroeconomic scenario

Global growth remained stable in 2024, albeit with significant differences across regions and countries, while inflation continued its downward trend. However, the overall performance of the global economy is threatened by significant downside risks and uncertainties, mainly stemming from rising trade tensions and protectionism, a potential escalation of geopolitical conflicts, the increase in extreme climate events, as well as challenges related to fiscal policies adopted by certain governments.

According to recent estimates by the International Monetary Fund[1], in 2024 global GDP grew by +3.2% compared to 2023, in line with the +3.3% recorded the previous year, but still below the historical average (2000-2019) of +3.7%.

Among emerging and developing economies, which recorded an overall GDP growth of 4.2%, India stood out with a growth rate of 6.5% — a slowdown compared to the 8.2% registered in 2023, mainly due to a deceleration in industrial activity. China also reported a growth of 4.8% over 2023, where the rapid increase in net exports only partially offset the slowdown in domestic demand, which continues to be affected by the ongoing real estate crisis.

In the advanced economies as a whole, GDP increased by 1.7%, with the United States recording growth of 2.8%, driven by higher employment and spending by individuals, and the Eurozone showing a limited growth, with +0.8% over 2023, reflecting weakness in the manufacturing sector and in goods exports, despite the acceleration in consumption that accompanied the increase in real incomes.

The growth of the Italian economy for 2024 is estimated at 0.5%.[2] Following a slight acceleration in GDP growth during the first half of the year, economic activity stagnated in the final months of 2024. This was primarily due to weakness in the manufacturing sector and a decline in investment across all segments — except for construction — despite a modest expansion in services.

Industrial activity in Italy was impacted by the weak economic cycle of its main trading partners — particularly Germany — along with challenges in specific industrial sectors, notably automotive and apparel, and in energy-intensive manufacturing, which continues to be weighed down by high energy prices.

The average annual inflation rate in Italy was +1% in 2024 (+5.7% in 2023); net of energy prices, consumer prices increased by 2.1% (+5.3% in 2023). The easing of inflation is largely attributable to the decline in energy prices, which fell by 10.1% compared to an increase of 1.2% in 2023. [3].

Employment in Italy rose to 62.3% of the labour force, while the unemployment rate declined compared to 2023, settling at 6.2%[4]. Moreover, the mismatch between labour demand and supply became more pronounced, as highlighted by the fact that in 2024 nearly 70% of Italian companies seeking to hire reported difficulties in finding suitable candidates[5].

1 See International Monetary Fund, *World Economic Outlook Update*, January 2025.
2 See Bank of Italy, *Economic Bulletin, no. 1/2025*, January 2025.
3 See ISTAT, *Consumer prices. Actual data (December 2024)*, 16 January 2025.
4 See ISTAT, *Employed and unemployed. Provisional data (December 2024)*, 30 January 2025.
5 See *Confindustria Labour Survey 2024, CSC Note no. 2/24*, 5 August 2024.

Global trade and FDI trends

In line with the pace of GDP growth, global trade in goods and services grew by 3.4% in 2024, a sharp recovery compared with +0.7% in 2023, but slowing in the last quarter of the year, albeit mitigated by the positive trend in US imports.
Italian exports in value terms fell by 0.4%, reflecting a 1.9% decline in sales to EU markets and an acceleration in non-EU exports (+1.2%). The largest contributions to export growth came from Spain, ASEAN countries and the United Kingdom; conversely, the United States, Germany and China made the largest negative contributions. At sector level, exports of transport equipment (excluding motor vehicles) recorded the largest decline compared to 2023 (-33.1%), followed by motor vehicles (-19.9%). In 2024, the trade surplus reached +54.9 billion euro, a significant improvement on the previous year's figure of +34.0 billion euro. Imports fell by 3.9%[6].
The foreign orders indicator from ISTAT's survey of Italian manufacturing companies, along with the corresponding PMI index, reflects the weakness in foreign demand, despite generally stable delivery times and the absence of significant supply-side or logistical bottlenecks. Business sentiment is being influenced by uncertainty surrounding the trade policies that may be introduced by the new US administration. Italy is particularly exposed to potential repercussions from increased US tariffs, as the United States is the second-largest destination for Italian-made goods after Germany, accounting for 11% of total exports in 2023 — equivalent to 63 billion euro. Moreover, beyond the direct effects, trade restrictions could also impact producers who, although not exporting directly, supply intermediate inputs that are incorporated into goods destined for the United States.
Global foreign direct investment (FDI) flows grew by 11% in 2024, reaching 1,378 billion dollars. However, excluding the financial movements generated by investments in special purpose entities established in Europe, global FDI recorded a decline of 8%[7].

Looking at mature economies, foreign direct investments into Europe fell by 45%. In particular, FDI inflows lower than in 2023 were observed in 18 EU Member States, with Germany and Poland down by 60%, Italy by 35%, and Spain and France by 13% and 6%, respectively. On the contrary, foreign direct investments increased by 13% in North America, with an increase of 10% in the United States, thanks to substantial M&A transactions.
The number of greenfield investment announcements in developed economies fell by 10% – around 1,000 fewer projects than in 2023 – especially in Germany, Poland and France. On the other hand, announcements of new greenfield projects in North America increased by 20%. In terms of value, greenfield investment announcements grew by 15% overall, with higher average values largely driven by large projects in the semiconductor sector. Significant increases in the value of projects were recorded in the United States (+93%, totalling 266 billion dollars), the United Kingdom (+32%, amounting to 85 billion dollars) and Italy (+71%, reaching 43 billion dollars).
Foreign investments in emerging economies continued to slow down, albeit at a slower pace: after a 6% decline in 2023, in 2024 they reached 854 billion dollars in flows, marking a 2% decrease. In particular, FDI flows to China were 29% lower compared to the previous year and 40% lower than the peak in 2022. Increases in foreign investment flows were recorded towards the ASEAN countries and, to a greater extent, towards Africa, South Asia – where India saw a 13% acceleration – and Central America.
Overall, worldwide, new investment projects, including announcements of greenfield investments and international project financing initiatives, have been affected by the deterioration of financing conditions and the anticipation of interest rate cuts by investors. Conversely, M&A transactions increased by 2%, suggesting a potential reversal of the downward trend observed in the last two years.
Italy's foreign direct investments reached 28.7 billion euro in 2024, compared to approximately 28.3 billion euro in the previous year[8].

6 See ISTAT, *Foreign trade and import prices (December 2024)*, 17 February 2025.
7 See UNCTAD, *Global Investment Trends Monitor*, January 2025.
8 See Bank of Italy, *Balance of payments and financial position abroad*, 19 February 2025.

Outlook for 2025

Global GDP growth is forecasted to remain stable at 3.3% for both 2025 and 2026[9]. However, the global outlook conceals divergent performances across different regions.
The outlook is on the whole subject to downside risks and a high degree of uncertainty, primarily due to the potential for a more protectionist shift in global trade policies and the continuation of tensions from ongoing conflicts, which could dampen both external and domestic demand.
Among developed economies, which are expected to grow by 1.9%, the United States will see an expansion of 2.7% in 2025, driven by strong domestic demand, a less restrictive monetary policy, and generally more favourable financial conditions. The Euro area will grow at a slower pace: +1.0% in 2025 and +1.4% in 2026, with forecasts weighed down by weak manufacturing performance, ongoing political tensions and Germany's crisis, which is expected to see a marginal rebound of 0.3% this year.
For emerging and developing economies, stable growth is expected in 2025 and 2026 (+4.2% and +4.3% respectively). In China, activity is forecasted to grow by 4.6% in 2025, a slight slowdown compared to 2024, continuing to reflect weak domestic consumption and the ongoing crisis in the real estate sector. On the other hand, India is expected to maintain a steady GDP growth, projected at +6.5% annually for the next two years.
Regarding Italy, businesses' assessments of the general economic situation and their prospects for operational conditions worsened in the latter part of 2024 across all sectors. This was due to concerns related to economic and political uncertainty, as well as the trend in energy raw material prices and, particularly among exporting companies, concerns about international trade policies[10].
In the macroeconomic scenario projected by the Bank of Italy for the 2025-2027 period[11] – in a context still characterised by high uncertainty – Italy's GDP is expected to grow by an average of 1% per year, driven by consumption and the recovery of global trade. Inflation is expected to be around 1.5% during the 2025-2026 period, rising to 2.0% in 2027 due to an increase in the energy component, driven by the introduction of the new emissions trading system for pollutants and greenhouse gases in the European Union.
Price levels are decreasing in most economies, and overall headline inflation is expected to drop to 4.2% in 2025 and 3.5% in 2026, starting with advanced economies.
Following the strong recovery in 2024, the forecasts for global trade in goods and services indicate steady growth in the next two years. The evolution of international trade will, however, be strongly influenced by the trade policies of the United States and the potential responses from other countries. The resulting uncertainty in the operating environment could affect investment decisions by companies — especially those with a stronger international focus — reduce market efficiency, distort trade flows and disrupt supply chains once again.
As for FDI, UNCTAD[12] forecasts that global flows could see a modest acceleration in 2025, given the improved financial conditions and the expected recovery of international M&A activities. However, FDI will also be weighed down by risk factors and continued investor uncertainty, considering the geopolitical situation and concerns about a worsening global economy.
Trade policies and tariffs, industrial policies aimed at attracting investments, and strategic sectors critical to security are the factors that will most significantly influence the direction of global investments. Geopolitical tensions and the new fault lines in the global economy are indeed driving investments towards national and regional directions, or towards geographies capable of ensuring productive capacity, infrastructure and market access that can provide investors with advantages in the event of changes in trade policies or even help mitigate the risks of disruptions in global supply chains.

9 See International Monetary Fund, cit.
10 See Bank of Italy, *Survey on inflation and growth expectations*, 14 January 2025.
11 See Bank of Italy, *Economic Bulletin, no. 1/2025*, January 2025.
12 See UNCTAD, cit.

5. BUSINESS PERFORMANCE

5.1 Resources committed

Resources committed from SIMEST's available funds and those of subsidised public funds in 2024 totalled 7,949 million euro (compared to 7,969 million euro in 2023). Among the various tools for internationalisation, resources committed amounted to 1,989 million euro[13] (+13% compared to 1,756 million euro in 2023), with a significant contribution from SIMEST and the Venture Capital Fund equity investments, which together recorded an increase of 31% compared to 2023. Indeed, a total of 221 million euro in completed projects were recorded (compared to 168 million euro in 2023), of which 100 million euro were from SIMEST equity investments and 120 million euro from the Venture Capital Fund equity investments, including start-up operations. Additionally, there was a 15% increase in the activity of soft loans, primarily due to the consolidation of ordinary operations.
The resources committed enabled the release of investments worth a total of 9,394 million euro, with the aim of increasing support for the economy through a so-called "multiplier effect" of 1.2 times. The number of customers served in 2024 increased by 40% compared to 2023, recording a total of 4,052 companies (compared to 2,898 last year).

RESOURCES COMMITTED (2024 FLOWS)

Business lines (millions of euro)	**2024**	**2023**	**Change %**
Soft loans	1,659	1,447	+15%
SIMEST equity investments	100	94	+7%
Venture Capital Fund equity investments	120	74	+63%
Contributions on equity investments*	109	142	-23%
TOTAL FUNDS FOR INTERNATIONAL EXPANSION	**1,989**	**1,756**	**+13%**
Export support*	5,960	6,213	-4%
TOTAL EXPORT SUPPORT	**5,960**	**6,213**	**-4%**
TOTAL RESOURCES COMMITTED	**7,949**	**7,969**	**-0.3%**

* Total underlying nominal value

The managed portfolio as at 31 December 2024 amounted to 4,057 million euro, an increase of 2% compared to 31 December 2023 (3,981 million euro[14]). With reference to SIMEST and Venture Capital Fund equity investments, the portfolio totalled 759 million euro, up 13% from 671[15] million euro as at 31 December 2023, as a result of subscriptions and disposals during the period; with regard to soft loans, the portfolio balance remained stable compared to 2023 (2,916 million euro compared to 2,910 million euro as at 31 December 2023), while the portfolio backed by NRRP resources amounted to 382 million euro (400 million euro as at 31 December 2023). As at 31 December 2024, SIMEST supports 15,851 companies (up +4% compared to the end of 2023) in their internationalisation and export programmes in 123 countries.

13 Includes soft loan products (including Integrated Promotion Fund resources), SIMEST equity investments, Venture Capital Fund equity investments and Contributions on equity investments.
14 Pro forma 2023 figures for comparison with 2024.
15 Pro forma 2023 figures for comparison with 2024.

RESOURCES COMMITTED (AMOUNTS AT THE END OF 2024)

Business lines (millions of euro)	**2024**	**2023**	**Change %**
Soft loans	2,916	2,910	+0.2%
NRRP soft loans	382	400	-5%
TOTAL SOFT LOANS	**3,298**	**3,310**	**-0.4%**
SIMEST equity investments	487	476	+2%
Venture Capital Fund equity investments	272	195	+40%
TOTAL EQUITY INVESTMENTS	**759**	**671**	**+13%**
TOTAL YEAR-END BALANCE	**4,057**	**3,981**	**+2%**

5.2 International expansion

5.2.1 Soft loans for international expansion

(Law 394/81 Fund, Share of Integrated Promotion Fund and Sustainable Growth Fund)

On the basis of the agreement with the Ministry of Foreign Affairs and International Cooperation, SIMEST manages the Law 394/81 Fund, established for the disbursement of soft loans aimed at the internationalisation of Italian companies and, starting from 16 June 2020, the section of the Integrated Promotion Fund for non-repayable co-financing.
In 2024, in addition to the traditional operations of the Law 394/81 Fund, relief measures for the floods in Central-Northern Italy were activated. In particular, in January, the measure to compensate for material damage suffered by businesses affected by the flood in Tuscany was launched, and in June, the "Loss of income relief" measure for businesses affected by the same flooding events was also initiated. It is also worth noting that at the end of July, the new "Strengthening African Markets" tool was launched, dedicated to businesses with strategic interests in Africa, with a dedicated reserve of 200 million euro and a 10% fund allocation for youth-led and women-led enterprises, SMEs, and innovative start-ups.
The Subsidies Committee (the interministerial body responsible for administering soft loans under Fund 394/81) approved 4,723 transactions in 2024 (of which 3,766 with non-repayable co-financing) for a total amount of 1,659 million euro (of which 190 million euro in non-repayable grants), an increase of 15% compared to the volumes approved in 2023 for 1,447 million euro (3,041 transactions, of which 2,669 with non-repayable co-financing). Operations are up compared to 2023, both in terms of volumes accepted (+15%) and number of cases (+55%), particularly for the "Digital and ecological transition" product (+214%), thanks to the reopening of the portal (in July 2023) with the launch of new subsidised finance products to support Italian businesses.

SOFT LOANS
Approved volumes – by Fund

Funds	**Number of transactions***	**Millions of euro**
Soft loans from the Law 394/81 Fund	4,526	1,470
Share of Integrated Promotion Fund	3,766	190
GRAND TOTAL	**4,723**	**1,659**

* A transaction includes a single application from the Law 394/81 Fund and in some cases also/or only from the Integrated Promotion Fund. For this reason, the grand total of transactions does not always coincide with the total transactions of the Law 394/81 Fund.

The operations accepted in 2024 refer to: i) ordinary operations restarted on 27 July 2023; ii) operations to support Italian exporting companies affected by the Russia-Ukraine conflict, following the extension to 30 June 2024 of the Temporary Crisis and Transition Framework aid scheme, approved on 21 November 2023 by the European Commission; iii) measures to support exporting companies damaged by flooding; iv) a new Africa Measure to strengthen the international competitiveness of companies with strategic interests in the African continent.

SOFT LOANS

Approved volumes – by operations (Law 394/81 Fund and Share of Integrated Promotion Fund)

Products	Number of transactions*	Millions of euro
Traditional operations	**4,453**	**1,512**
of which soft loans from the Law 394/81 Fund	*4,453*	*1,419*
of which Share of Integrated Promotion Fund	*3,499*	*93*
Ukraine import and export operations	**51**	**69**
of which soft loans from the Law 394/81 Fund	*51*	*42*
of which Share of Integrated Promotion Fund	*51*	*28*
Emilia-Romagna flood emergency operations	**197**	**68**
of which soft loans from the Law 394/81 Fund	*0*	*0*
of which Share of Integrated Promotion Fund	*197*	*68*
Africa operations	**22**	**10**
of which soft loans from the Law 394/81 Fund	*22*	*9*
of which Share of Integrated Promotion Fund	*19*	*1*
GRAND TOTAL	**4,723**	**1,659**

* A transaction includes a single application from the Law 394/81 Fund and in some cases also and/or only from the Integrated Promotion Fund. For this reason, the grand total of transactions does not always coincide with the total transactions of the Law 394/81 Fund.

The volumes of soft loans approved in 2024 are broken down as follows:

Ordinary operations equal to 4,453 transactions amounting to 1,512 million euro:

a. **Digital and ecological transition**: 1,438 loans amounting to 887 million euro (of which 50 million euro as the related non-repayable co-financing share) for the green digital and ecological transition of companies with an international vocation;

b. **Trade fairs and events**: 1,899 loans amounting to 282 million euro (of which 23 million euro as the related non-repayable co-financing share) for participation in international trade fairs and events, also in Italy, and system missions;

c. **Foreign market penetration**: 351 loans amounting to 218 million euro (of which 10 million euro as the related non-repayable co-financing share) for the implementation of programmes to enter foreign markets, which support Italian companies in establishing commercial structures abroad;

d. **E-commerce**: 593 loans amounting to 10 million euro (of which 8 million euro as the related non-repayable co-financing share) for the creation or enhancement of e-commerce platforms for the promotion and sale of on-line products;

e. **Temporary Export Manager***:* 95 loans amounting to 15 million euro (of which 1 million euro as the related non-repayable co-financing share) to support expenses related to the temporary placement of this figure in a foreign company for the implementation of projects supporting the internationalisation of the company on international markets;

f. **Certifications and consultancy**: 76 loans amounting to 9 million euro (of which 1 million euro as the related non-repayable co-financing share) to support consultancy expenses related to investments for sustainable growth in foreign markets;

g. **Capitalisation***:* 1 loan amounting to 1 million euro to support the capital strength of exporting companies in order to increase their international competitiveness.

Ukraine import and export operations equal to 51 transactions amounting to 69 million euro:

a. **Ukraine import**: 31 loans amounting to 50 million euro (of which 20 million euro as the related non-repayable co-financing share) to support Italian exporting companies with supplies from Ukraine and/or the Russian Federation and/or Belarus, affected by the consequences of the Russia-Ukraine conflict;

b. **Ukraine export**: 20 loans amounting to 20 million euro (of which 8 million euro as the related non-repayable co-financing share) to support Italian exporting companies in Ukraine and/or the Russian Federation and/or Belarus, affected by the consequences of the Russia-Ukraine conflict;

Flood emergency operations equal to 197 transactions amounting to 68 million euro:

a. **Material damage grants:** 151 grants amounting to 47 million euro (entirely non-repayable) for compensation for direct material damage to exporting companies located in the areas affected by the floods;

b. **Loss of income relief:** 46 grants amounting to 21 million euro (entirely non-repayable) relating to grants for loss of income due to total or partial suspension of activity.

Africa operations amounted to 22 transactions for 10 million euro (of which 1 million euro as the related non-repayable co-financing share), aimed at strengthening the international competitiveness of Italian companies with strategic interests in the African continent, through tangible support for productive and commercial investments, including digitalisation and sustainability, as well as funding expenses for training and the integration of local staff into the company.

SOFT LOANS (millions of euro)

Approved loans – by country (Law 394/81 Fund and Share of Integrated Promotion Fund)

Main target countries	Digital and ecological transition	Trade fairs and events	Foreign market penetration	*E-commerce*	Ukraine import	Flood grants	Loss of income relief	Ukraine export	*Temporary Export Manager*	Africa Measure	Certifications and consultancy	Capitalisation
Italy	887	125	-	101	50	47	21	20	-	10	-	1
Germany	-	66	7	-	-	-	-	-	2	-	1	-
United States of America	-	15	50	-	-	-	-	-	4	-	2	-
France	-	18	14	-	-	-	-	-	1	-	2	-
UAE	-	10	23	-	-	-	-	-	1	-	0.2	-
Spain	-	7	15	-	-	-	-	-	2	-	1	-
Albania	-	6	16	-	-	-	-	-	0.2	-	0	-
United Kingdom	-	4	11	-	-	-	-	-	0.4	-	0.3	-
Brazil	-	2	7	-	-	-	-	-	0.2	-	-	-
Other countries*	-	31	74	0.1	-	-	-	-	5	-	2	-
GRAND TOTAL	**887**	**282**	**218**	**101**	**50**	**47**	**21**	**20**	**15**	**10**	**9**	**1**

* Includes transactions with other countries with total amounts of less than 9 million euro. The main ones include China, Switzerland, the Netherlands, Saudi Arabia, Moldova and Poland

During 2024, the loans granted under the 394 Fund supported internationalisation projects in 78 countries. Overall, the participation of companies in trade fairs and events was mainly focused on international events held in Italy, Germany, France and the United States. The programmes for entry into foreign markets concentrated on the United States, the United Arab Emirates and Albania. Financing for e-commerce was almost exclusively requested for the Italian market, while funding for the hiring of a professional in international markets was primarily focused on the United States, Germany and Spain. SMEs accounted for 76% of the approved volumes, while the remaining 24% benefited Mid-Caps[16] and large companies. The sectors receiving the most soft loans were mechanical industry (14%), metalworking industry (13%), chemical/petrochemical (11%) and trade (9%).

During 2024, a total of 1,129 million euro were disbursed (of which 364 million euro were non-repayable), including 100 million euro from EU NRRP resources.

At the end of 2024, there was an outstanding portfolio of transactions disbursed equal to 2,916 million euro relating to ordinary operations (of which 2,764 million euro on the ordinary 394 Fund, 136 million euro on operations pursuant to NRRP with ordinary resources and 17 million euro on the Sustainable Growth Fund) and 382 million euro on NRRP resources.

16 Mid-Caps are companies with up to 1,500 employees that do not qualify as SMEs.

5.2.2. Equity investments

SIMEST equity investments: direct equity investments

With regard to the line of operations relating to equity investments, during the year, SIMEST entered into 30 new transactions and 3 investments in companies in which it already held a stake, for a total of 100 million euro (including shareholder loans), up 7% compared to 2023, thanks in part to the gradual implementation of the new business model set out in the 2023-2025 Strategic Plan. The new transactions refer to counterparties with high credit standing (85% new subscriptions with rating ≥ BB) with a view to the economic and financial sustainability of the portfolio.
During 2024, among the various projects supported by SIMEST, particular emphasis is placed on those relating to the provision of consulting services in sustainability, impact economy and innovation in the United Arab Emirates; the construction and management of an industrial port in Mozambique; and the internationalisation of the integrated production chain model by a leading company in the agri-food sector, with a focus on African countries.

The main target countries for the projects supported by SIMEST include:
- the United Kingdom, with four separate investment projects in the agri-food, electrical, renewable energy and mechanical industries, totalling 26 million euro;
- the United States, with five separate projects, two of which are in the mechanical industry, totalling 15 million euro;
- the Netherlands, with three different projects, two of which are in the automotive sector, totalling 10 million euro;
- Mexico, with two investment projects totalling 9 million euro — the first, in the mechanical industry for 5 million euro, and the second, in the electronics industry for 4 million euro.

SIMEST EQUITY INVESTMENTS (millions of euro)
Equity investments – by country

New projects and capital increases*	**SIMEST commitment**
United Kingdom	26
United States of America	15
The Netherlands	10
Mexico	9
Canada	7
Germany	6
China	5
Mozambique	5
United Arab Emirates	4
France	4
Brazil	3
Saudi Arabia	2
Other countries	5
GRAND TOTAL	**100**

* Includes shareholder loan transactions

The projects demonstrated good sectoral diversification:
- 37% of the contracted volumes were distributed between the mechanical industry and non-financial services (23% and 14%, respectively);
- 31% of the contracted volumes were divided among the agri-food (13%), the electrical (10%) and the automotive sectors (9%);
- 23% of the volumes were allocated across renewables (7%), electronics/IT (6%), infrastructure and construction (5%) and the metalworking industry (5%);
- the remaining 8%, totalling 8 million euro, was made up of the aeronautical, chemical/petrochemical and trade sectors.

SIMEST EQUITY INVESTMENTS (millions of euro)
Equity investments – by sector

New projects and capital increases*	**SIMEST commitment**
Mechanical industry	24
Non-financial services	14
Agri-food	13
Electrical industry	10
Automotive	9
Renewables	7
Electronics/IT	6
Infrastructure and Construction	5
Metalworking industry	5
Other industries	8
GRAND TOTAL	**100**

* Includes shareholder loan transactions

In addition, 48 transactions were approved in 2024, including 31 new investment projects and 2 capital increases in companies already invested in for a total of 115 million euro (up 31% compared to 2023), in addition to 15 changes/redefinitions of shareholding plans already approved or previously subscribed.
67% of the transactions approved involved investment projects in non-EU countries, with a total commitment of 77 million euro, while the remaining 33% involved EU countries.
The main investment destinations for the approved projects are the United States of America, with a SIMEST commitment of 22 million euro, followed by the United Kingdom (21 million euro), Germany (14 million euro), the Netherlands (11 million euro) and Mexico (9 million euro). The remaining investments are spread across various countries, some of which are traditional investment destinations such as Brazil, China and Switzerland, alongside less frequent destinations such as Mozambique, Egypt and Saudi Arabia.

In 2024, in implementation of the agreements with the Partner companies, 19 equity investments were sold for a total of 59 million euro after impairment. At year-end, as a result of portfolio transactions in 2024, SIMEST held equity investments in 222 companies in Italy and abroad for a total of 487 million euro (including the equity investment in FINEST and shareholder loans), compared with 476[17] million euro at the end of 2023 (+2%).

Venture Capital Fund equity investments

The Venture Capital Fund, managed by SIMEST on behalf of the Ministry of Foreign Affairs and International Cooperation, consists of a minority shareholding – in addition to the direct shareholding of SIMEST and/or FINEST – in the share capital of companies established by national companies in foreign countries and the subscription of financial or equity instruments, including shareholder loans.
As in 2023, during 2024, traditional operations – which continued as usual – were complemented by the operations of the Venture Capital Fund to support the internationalisation processes of start-ups, including innovative start-ups and innovative SMEs, in collaboration with CDP Venture Capital SGR (direct and indirect investments).
Contracted equity investments in 2024, drawn from the Venture Capital Fund, amounted to 120 million euro (includingshareholder loans) for a total of 43transactions, of which 39 were new equity investments for 118 million euro and 4 were capital increases in companies already invested in as at 31 December 2023 for the remaining 3 million euro. Among the total volumes, there were three projects, for a total of 5 million euro, completed with the collaboration of FINEST.
The amounts committed also include operations in favour of start-ups, including innovative ones, and innovative SMEs,

17 Pro forma 2023 figures for comparison with 2024.

in collaboration with CDP Venture Capital SGR, for a total of 20 million euro, of which: i) 14 million euro paid from the International Fund of Funds as part of indirect activities in favour of funds that support start-ups active in the biotechnology and medtech sectors, in the industrial software sector and in the digital transformation of businesses, and ii) 6 million euro from direct operations.

VENTURE CAPITAL FUND EQUITY INVESTMENTS (millions of euro)

Contracted equity investments – by operations

Operations	**Venture Capital Fund commitment**
Traditional operations*	100
Innovative start-ups and SMEs	20
GRAND TOTAL	**120**

* Includes shareholder loan transactions

Approximately 64% of the contracted volumes support projects outside the European Union, for a total of 76 million euro, while the remaining 36% relates to projects in European Union countries, including start-up operations.

VENTURE CAPITAL FUND EQUITY INVESTMENTS (millions of euro)

Equity investments – by country

New projects and capital increases*	**Venture Capital Fund commitment**
United Kingdom	21
Italy	20
United States of America	15
The Netherlands	10
Mexico	9
Canada	7
Germany	6
China	5
Mozambique	5
United Arab Emirates	4
France	4
Brazil	3
Other countries	13
GRAND TOTAL	**120**

* Includes shareholder loan transactions

The main target countries for the projects contracted under the Venture Capital Fund mirror those of the investment projects completed with SIMEST resources.
In terms of sectoral distribution, the projects were also well diversified, specifically:

- 25% of the contracted volumes concerned the non-financial services sector with 7 separate investment projects;
- 26% of the contracted volumes are divided between the agri-food sector with 18 million euro (15%) and the mechanical industry with 5 projects totalling 14 million euro (12%);
- 23% of volumes are divided between the electrical industry (10%), the automotive sector (7%) and renewables (6%), for a total of 28 million euro.

The remaining volumes are divided among various product sectors, including electronics/IT, infrastructure and construction, metalworking, aeronautics and chemical/petrochemical.

VENTURE CAPITAL FUND EQUITY INVESTMENTS (millions of euro)

Equity investments – by sector

New projects and capital increases*	**Venture Capital Fund commitment**
Non-financial services	30
Agri-food	18
Mechanical industry	14
Electrical industry	12
Automotive	9
Renewables	7
Electronics/IT	7
Infrastructure and Construction	5
Other industries	18
GRAND TOTAL	**120**

* Includes shareholder loan transactions

In addition, during the year, a total of 52 transactions were approved, of which 43 related to new investment projects and 3 capital increases in companies already invested in for a total of 107 million euro (an increase of 43% compared to 2023), plus 6 redefinitions of plans for previously approved projects. The approved volumes include: (i) 10 investments in start-ups, including innovative start-ups and innovative SMEs, for a total of 7 million euro, relating to projects in the biotechnology, electronics/IT, chemical/petrochemical and mechanical industry sectors, (ii) 4 projects in collaboration with FINEST for a total of 7 million euro.
The geographical distribution of commitments reflects the distribution of what was approved using SIMEST resources. Around 63% of the volumes approved involved investment projects in non-EU countries, with a total commitment of 67 million euro, while the remaining 37% involved EU countries.
Similarly, the main investment countries and the sectoral distribution of the approved projects mirror those of the projects in which SIMEST has a direct stake.
Therefore:

- the main investment destinations include the United States of America with a commitment of 17 million euro, followed by Germany (12 million euro) and the United Kingdom (11 million euro);
- in terms of sectoral breakdown, non-financial services and mechanical industry (together accounting for 26% of the total volume approved) remain the main areas of focus, followed by the electrical, automotive and electronics/IT sectors.

In 2024, in implementation of the agreements with the Partner companies, 15 equity investments were sold for a total of 20 million euro. As a result of the transactions recorded during the year, the portfolio of equity investments held by SIMEST under the Venture Capital Fund amounted to approximately 272 million euro at the end of 2024 (up 40% from 195 million euro in[18] 2023) in 178 companies abroad (166 at the end of 2023, +7%).

Start-Up Fund equity investments

During 2024, the Start-Up Fund, established by Ministerial Decree no. 102 of 4 March 2011, completed the winding up of its operations.
At the end of 2018, under Italian Law no. 145 of 30 December 2018 (2019 Budget Law), the closure and the phase-out management of the Start-Up Fund was ordered, and on 19 March 2019, SIMEST and the Ministry of Economic Development signed the special agreement set forth in the regulations for the phase-out management of the Start-Up Fund. Consequently, there were no new investment initiatives.
As a result of Italian Decree Law no. 104 of 21 September 2019, converted, with amendments, by Law no. 132 of 18 November 2019, the phase-out management of the Start-Up Fund was also transferred to the Ministry of Foreign Affairs and

18 Pro forma 2023 figures for comparison with 2024.

International Cooperation, Directorate General for the Promotion of the Country's Economy. In July 2022, a specific agreement was signed between SIMEST and the MAECI for the phase-out management of the Start-Up Fund, which amends the aforementioned agreement of 19 March 2019 with the replacement of the MIMIT with the MAECI.

Contributions on equity investments (Law 295/73 Fund)

In 2024, SIMEST managed interest-rate subsidies in support of international expansion relating to the Law 295/73 Fund, whose responsibilities – from 1 January 2020 – were assigned to the Ministry of Foreign Affairs and International Cooperation, together with the Ministry of Economic Development and the Ministry of the Economy and Finance (Article 2 of Italian Decree Law no. 104/2019, converted, with amendments, by Law no. 132/2019).
These subsidies are provided by SIMEST to Italian companies in support of loans granted by the banking system for the acquisition of equity investments in foreign companies, in which SIMEST has an interest, in countries outside the European Union.
Under a specific agreement, SIMEST also carries out, on behalf of FINEST (the Friuli Venezia Giulia Region's holding company), all activities related to the application processing and disbursement of subsidies under the Law 295/73 Fund for the operations involving FINEST.
In 2024, the Subsidies Committee approved 13 transactions for a total of 109 million euro (compared with 14 transactions totalling 142 million euro in 2023). Among these, 2 projects totalling 5 million euro were completed through operations involving FINEST.
The operations approved relate to investment initiatives involving SIMEST or FINEST participation in the capital of companies in countries outside the European Union. The main target countries were the United Kingdom (37% of the volume), followed by Canada and Brazil (37% of the volume), the United States (16%) and Serbia, which recorded 2 projects accounting for 5% of the total volume.

CONTRIBUTIONS ON EQUITY INVESTMENTS (millions of euro)
Deferred principal amount approved – by country

Country	Underlying nominal value
United Kingdom	41
Canada	20
Brazil	20
United States of America	17
Serbia	6
Tunisia	4
United Arab Emirates	1
GRAND TOTAL	**109**

There was also good diversification in terms of sector breakdown of transactions:

- 42% of the volumes accepted concerned the agri-food sector with investment projects in the United States and the United Kingdom;
- 33% of the volumes accepted concerned the electronics/IT sector with two separate projects in Canada and Brazil;
- while the remaining 25% is mainly divided between the chemical/petrochemical sector, the mechanical industry, the aeronautical sector and the automotive sector.

CONTRIBUTIONS ON EQUITY INVESTMENTS (millions of euro)
Deferred principal amount approved – by sector

Sector	Underlying nominal value
Agri-food	46
Electronics/IT	36
Chemical/Petrochemical	7
Mechanical industry	5
Aeronautics	5
Automotive	5
Electrical industry	4
Non-financial services	1
GRAND TOTAL	**109**

5.3 Export support (Law 295/73 Fund)

Contributions on export support financing (buyer credit and supplier credit)

The Law 295/73 Fund (Article 3 of Italian Law no. 295/73, hereinafter the "Fund"), managed by SIMEST on behalf of the Ministry of Foreign Affairs and International Cooperation in agreement with the Ministry of Economy and Finance, is a public fund financed by the State, intended for the disbursement of interventions to support the interest rates of medium and long-term loans (≥ 24 months) to support exports of investment goods and services all over the world.
For interventions in the form of interest rate stabilisation at a subsidised fixed rate (CIRR regulated by the OECD) and the granting of non-repayable public interest subsidies, the Subsidies Committee (an interministerial body responsible for administering the Law 295/73 Fund) approved a total of **176 transactions in 2024, amounting to 5,960 million euro** (compared to 195 transactions for a total of 6,213 million euro in 2023), of which:

- 166 **supplier credit** transactions for a total of 525 million euro (compared to 178 transactions for a total of 501 million euro in 2023, +5% in volumes accepted);
- 10 **buyer credit** transactions relating to 6 orders awarded by Italian exporters for 5,435 million euro (compared to 17 transactions for a total of 5,713 million euro in 2023).

EXPORT SUPPORT (millions of euro)
Approved capital portion – by product

Products	Number of transactions	Underlying nominal value
Export subsidy on buyer credit	10	5,435
Export subsidy on supplier credit	166	525
GRAND TOTAL	**176**	**5,960**

Among buyer credit volumes, 5,038 million euro related to seven supply loan transactions carried out by Italian exporters to foreign counterparties in the shipbuilding sector (cruise sector); the remaining 0.4 million euro related to three supply loan transactions for the metalworking industry for the conversion of steel production to "green steel" and an infrastructure project in Cameroon.

The 525 million euro in supplier credit, on the other hand, related to 166 transactions for the financing of machinery and plant supplies in the mechanical industry, chemical/petrochemical and automotive sectors carried out by Italian companies for foreign counterparties.

Overall, the main countries of the foreign counterparties receiving supplies were Bermuda (66% of soft loans), Panama, Germany, Turkey and Cameroon.

EXPORT SUPPORT (millions of euro)
Approved capital portion – by country of destination of the supplies

Country	Underlying nominal value
Bermuda	3,916
Panama	1,124
Germany	303
Turkey	97
Cameroon	94
France	94
United States of America	65
Spain	48
South African Republic	45
Australia	19
Other countries	155
GRAND TOTAL	**5,960**

In terms of sector breakdown, total volumes mainly concerned exports in the cruise sector (85%), followed by the mechanical and metalworking industry (12% overall), the infrastructure and construction sector (2%) and, for the remainder, supplies to the chemical/petrochemical, automotive, textile, agri-food and other industries.

EXPORT SUPPORT (millions of euro)
Approved capital portion – by reference sector of supplies

Sector	Underlying nominal value
Cruise ship	5,038
Mechanical industry	387
Metalworking industry	307
Infrastructure and Construction	104
Chemical/Petrochemical	33
Automotive	16
Textiles	14
Agri-food	6
Other industries	54
GRAND TOTAL	**5,960**

5.4 Promotion and development activities

In 2024, SIMEST further strengthened its promotional activities for its products, developing initiatives designed to best meet the needs and demands of the national business community. With reference to subsidised finance instruments, SIMEST, in collaboration with MAECI and as part of the Mattei Plan, introduced the Africa Measure through the new product "Strengthening African Markets", with a dedicated reserve and advantageous conditions compared to the rest of the offering. This initiative aims to enhance the international competitiveness of Italian companies with strategic interests in the African continent, as well as that of companies within their supply chains, by supporting productive and commercial investments and covering costs related to training and the employment of local personnel. In July, a presentation event was held at the Italian Ministry of Foreign Affairs, attended by over 200 companies, trade associations and institutional stakeholders, with the subsequent launch of the submission of loan applications on the SIMEST portal.
At the same time, SIMEST continued to promote extraordinary measures such as "Compensation for material damages" and "Loss of income relief", initially introduced for exporting companies in Emilia-Romagna affected by the May 2023 floods, and subsequently extended – in January and June 2024 respectively – to companies, either exporters or part of an export-oriented production chain, impacted by the November 2023 floods in Tuscany.

In order to disseminate the operational details of the extraordinary and ordinary measures, informational/training webinars and meetings were organised with trade associations, institutional subjects and industry professionals. In the spirit of systemic cooperation, roadshows were organised across Italy in collaboration with CNA and Confapi, and agreements were signed with the Regions of Lombardy, Sicily, Lazio and Umbria to promote SIMEST's instruments.

Continuing efforts to support the growth of SMEs in international markets, SIMEST also signed cooperation agreements with various entities, including Amazon – as part of the "Accelerate with Amazon" training programme – as well as Confapi and the E4Impact Foundation, to develop and promote new initiatives supporting the internationalisation of Italian companies in African countries.

In line with the innovation of its offering and to further expand access to financing, the second half of 2024 saw the launch of a new project to support Italy's strategic supply chains, "Impact Supply Chains". This initiative, through collaboration agreements with national champions, seeks to engage small and medium-sized enterprises within supply chains, supporting their necessary investments in technology, sustainability, skills development and internationalisation.

Throughout 2024, SIMEST continued its promotional and development activities via its regional network, in synergy with the CDP Group network and in line with the 2023-2025 Strategic Plan, focusing primarily on SMEs, Mid-Caps and companies operating in innovative and high-potential sectors such as electronics, IT and services, in order to expand the pool of potential participants in its equity instruments. Additionally, through the establishment of a direct presence alongside other market operators, SIMEST intensified its engagement with investment funds, offering a diversified commercial proposal to support Italian companies' overseas projects, resulting in an overall increase of around 50% in the number of meetings compared to 2023.

Over the course of the year, several activities were promoted through digital channels, significantly strengthening promotional campaigns for instruments funded by the public resources managed by SIMEST. Promotional initiatives were carried out involving SIMEST clients through participation in webinars and B2B meetings, organised within the Business Matching platform launched in 2022 by the CDP Group in collaboration with the MAECI, with the aim of providing Italian SMEs with a tool to facilitate direct contact with international counterparts in foreign markets. Over the course of the year, the platform expanded its operations to new markets, including Tunisia, Egypt, Colombia and the United Arab Emirates, while strengthening its presence in already active markets (such as Vietnam and Morocco), with a focus on sector-specific webinars, particularly in the textile, agricultural machinery, pharmaceutical and machine tool sectors.

In 2024, SIMEST continued with the plan to establish local offices in countries with high potential for Made in Italy products, and launched a consultancy service specifically dedicated to SMEs, in synergy with key institutions of the Italian national system (Sistema Paese). In addition to the already active offices in Belgrade and Cairo, a new office was opened in Ho Chi Minh City (Vietnam) to support Italian companies interested in investing in the Southeast Asian region, and preparations began for offices in São Paulo (Brazil) and Rabat (Morocco). Strategic contacts were established for the development of the institutional/financial network, and meetings were held with Italian companies interested in Southeast Asia and Latin America, aiming to facilitate market access and support the growth of Italian investments locally. SIMEST also reaffirmed its support for businesses by participating — either with its own stand or in collaboration with other Sistema Paese stakeholders — in major international trade fairs in Italy and sector-specific fairs in priority geographies, including "Viet Nam International Sourcing 2024" (Vietnam's largest sourcing fair held in Ho Chi Minh City), the "International Agriculture Fair" in Novi Sad (Serbia), and "EGYPES" (the energy transition fair held in Cairo). In addition to trade fairs, in June SIMEST participated in the "Egypt-EU Investment Conference" focusing on high-potential sectors for development and collaboration between Egypt and EU countries, and in September took part in the "ESG, a way of life and doing business" conference organised in Belgrade by Confindustria Serbia and the Serbian Chamber of Commerce, addressing the implementation of ESG standards to enhance corporate competitiveness.

Finally, complementing its promotional and development activities, SIMEST launched its first dedicated training programme for SMEs, establishing a lounge in collaboration with ELITE (Italian Stock Exchange) and CDP, focusing on internationalisation themes. SIMEST also continued engaging with businesses through regional roundtables (in Emilia-Romagna and Veneto) centred on internationalisation and sustainability topics.

6. RISK MANAGEMENT

With reference to identifying the risks that characterise SIMEST's activities, while not subject to prudential regulation, the Company adheres to current supervisory regulations for banks and the principles adopted by the Basel Committee.
The identification and classification of different types of risk is set out in SIMEST's Risk Regulations. This document provides a comprehensive overview of the areas of risk relevant to SIMEST, in line with the Company's operational developments and the Group framework, referring to the specific policies and regulations in force for the technical aspects of assessing, managing and monitoring individual risks.
The most significant risks to which the Company is exposed are listed below.

Credit risk: understood as the risk that a borrower will not fulfil its commitments in relation to a loan and will not be able to repay its debt. The Risk Regulations provide guidelines and specific control measures, both ex ante and ex post, broken down by counterparty and/or transaction, referring, for risk measurement aspects, to the Rating and Recovery Rate Policy and, for monitoring limits, tools and metrics, to the Credit Risk Policy.
To protect against credit risk, the Company adopts specific processes to assess, monitor and manage individual exposures and the portfolio through the use of models, operational tools and reporting. In particular, in the various phases of the process, the Company uses tools and models to support analysis (e.g. rating and early warning system) aimed at measuring and monitoring the counterparty's credit risk and the possible deterioration of the credit profile so as to support management and the structures responsible for initiatives to protect its assets and, where necessary, initiating credit recovery activities.
The credit risk associated with the equity investments is mainly mitigated through the direct commitments of the Italian Partners to the forward purchase of SIMEST's equity investments, partially secured by corporate sureties, collateral and bank or insurance guarantees.
As at 31 December 2024, the direct commitments of the Italian Partners for the forward purchase of equity investments amounted to approximately 445 million euro (428 million euro as at 31 December 2023). Commitments backed by bank and/or insurance guarantees amounted to approximately 26 million euro (in line with 31 December 2023); those backed by collateral amounted to 20 million euro (27 million euro as at 31 December 2023).

GUARANTEES (%; millions of euro)

	2024		2023	
Direct commitments of Italian Partners	91%	445	89%	428
Commitments secured by banks and insurance companies	5%	26	5%	26
Commitments secured by collateral	4%	20	6%	27
TOTAL AMOUNT DISBURSED		**490**		**481**

In line with its institutional role, SIMEST supports – as a Partner – companies with adequate creditworthiness, operating in strategic sectors and supply chains with sustainability and impact investing characteristics geared towards international expansion.
The Credit Risk Policy provides specific guidelines on the structuring, monitoring and management of transactions from a risk-sensitive perspective, differentiating them by duration, repayment plan, guarantee framework according to the rating, with the aim of further strengthening the credit risk controls. In 2024, the monitoring of operational limits by rating and by counterparty/group provided for in the Credit Risk Policy continued, with related periodic reporting to the corporate bodies.
In line with the indications of the policy, particular attention was paid to the credit origination phase, directing new equity

loan transactions towards counterparties with better credit standing, consistent with the objective of progressively reducing the cost of risk and the significance of the non-performing component of the portfolio.

Ratings, as a measure of default risk, are particularly important for the purposes of measuring credit risk. Ratings of creditworthiness are periodically updated (at least annually) based on: (i) the availability of economic-financial information on the counterparty and/or (ii) adverse events/anomaly signals deriving from internal and/or external data sources.

As part of the credit risk monitoring tools and in line with the provisions of the Strategic Plan, SIMEST has launched a project aimed at defining an approach for monitoring and classifying credit exposures in line with the Taxonomy and tools used at Group level (i.e. the early warning system model). In this context, during the year, the implementation of the engine for the calculation of unpaid amounts (i.e. past-due engine) was completed according to the logic defined by the prudential regulations, aimed at intercepting anomalies in the payments of the credit relationship.

With regard to the risk-adjusted pricing methodology applied to financing transactions, SIMEST's Board of Directors approved the update of the relevant policy in June 2024. This update concerns certain methodological refinements relating, in particular, to the determination of funding costs and administrative costs, as well as the possibility of setting pricing conditions linked to ESG objectives and KPIs. The pricing methodology provides risk-based returns in relation to the characteristics of the investment (e.g. duration and expected collateral framework) and creditworthiness of the counterparties with the objective of estimating the reference value for achieving a level of risk-adjusted profitability that is consistent with the economic value creation objectives set forth in the Strategic Plan. In addition, to support the business, the Risk Management unit periodically updates the pricing grids that highlight the spread values applicable to the transaction when parameters such as the rating, duration and security package change and corresponding to different levels of expected shareholder return (expressed by the RAROC – risk adjusted return on capital – measure). In this context, following the opening of the European Investment Bank (EIB) funding line, impact assessments of EIB subsidised funding on adjusted pricing risk have also been launched.

Market risk: the risk arising from market transactions in financial instruments, currency and commodities. With regard to SIMEST, the price risk and the foreign exchange risk are marginal and almost fully mitigated by contractual clauses which, as a rule, guarantee that the investment will be recovered at the historic price paid in euro for acquisition of the equity investment. The fair evaluation, envisaged by IFRS 9, exposes part of the investment portfolio, albeit gradually decreasing, to potential value changes stemming from fluctuations in market factors (interest rates and credit spreads).

Operational risk: the risk of loss resulting from inadequate or malfunctioning internal procedures, people and systems or from external events. This context includes losses resulting from fraud, human error, business disruption, system unavailability, breach of contract, and natural disasters.
The operational risk control framework provides a structured set of processes, functions and tools for the identification, assessment and monitoring of operational risks. In particular, in accordance with the Parent Company's guidelines, the operational risk control system includes both a data collection and storage process (Loss Data Collection) and the assessment of the level of Company exposure to operational risks through a Risk Self-Assessment.

Operational risks are managed in collaboration with CDP on the basis of a service contract. During the year, in the LDC area, along with monitoring and follow-up activities on Action Plans, corporate information sources were updated and a number of Near Miss events were noted. As part of the Operational Risk Self-Assessment activities, in addition to the monitoring of existing Action Plans, the Risk Self-Assessment of specific business processes was completed, in line with the planned activities, with the definition of mitigation actions for the material risks identified.
Fraud risk is also included within the scope of operational risks, with its identification and monitoring governed by the Group's specific policy. In this context, ex-post controls were initiated to assess the effectiveness of the existing fraud risk management measures.
Operational risks also include ICT risk, i.e. the risk of (current or potential) economic, reputation and market share losses in relation to the use of Information and Communication Technology (ICT) due to events likely to compromise the availability, integrity and confidentiality of technical infrastructures and/or data.

Liquidity risk: the risk of default with respect to the Company's payment commitments includes two forms of risk that are often strongly correlated: (i) funding liquidity risk (inability/difficulty to raise funds with the risk of not being able to meet one's payment commitments) and (ii) market liquidity risk (difficulty in liquidating assets, and other assets to settle financial obligations as they fall due, quickly and without incurring losses). Liquidity risk management is monitored constantly through analysis of expected cash flows, especially for equity investments.
The framework monitoring the liquidity risk is based on two indicators: (i) short-term liquidity indicator and (ii) structural liquidity indicator, which aim respectively to verify and guarantee the Company's ability to deal with cash outflows in the short term and the right balance between the average duration of funding and lending sources, monitoring and limiting the use of forms of maturity transformation. These indicators are the subject of measurement, monitoring and periodic reporting by the Company's responsible structures. In case of exceeding the defined limits, in terms of process, the activation of the Contingency Funding Plan is provided as remediation action. The monitoring activities carried out in 2024 confirmed the effectiveness of the liquidity indicators and the warning thresholds introduced.

Interest rate risk: risk of losses caused by adverse movements in interest rates in terms of economic value and/or reinvestment of flows. The interest rate risk management framework, as governed by the relevant policy, envisages the adoption of the "Repricing Gap" methodology, which quantifies the interest rate risk by calculating the "imbalance", differentiated by predetermined time buckets, between assets and liabilities exposed to interest rate risk. The Repricing Gap on the various maturities, combined with an assumption of change in rates, makes it possible to quantify the potential impacts on the Income Statement, identifying the relative limits ("hard limits") and the relative warning thresholds ("soft limits").
The monitoring activities carried out in 2024 confirmed the effectiveness of the interest rate risk indicator and the warning thresholds introduced.

Concentration risk: in the case of "single name" and "geo-sector" risk, this refers to the risk arising from concentrated exposures to counterparties and/or groups of connected counterparties and to borrowers belonging to the same economic sector or engaged in the same activity or located in the same geographical area. During 2024, periodic monitoring of the operating limits by counterparty/group was carried out with reference to SIMEST's Equity and sector concentrations with related reporting to the corporate bodies.

Reputational risk: the current or prospective risk of a fall in profits, penalties, loss of economic value or damage to SIMEST's institutional role, resulting from a negative perception of the Company's image by customers, counterparties, investors, regulators or other stakeholders. SIMEST gives the highest priority to the need to prevent and monitor the occurrence of reputational events related to the transactions that fall within its corporate purpose, as defined in its Articles of Association, and promotes the definition of high ethical and professional standards and approval of clear policies and procedures aimed at their compliance. To this end, internal controls are carried out to mitigate the aforementioned risk and specific safeguards are adopted to prevent reputational events in the ordinary operations and management of public funds.

Money laundering risk: risk deriving from the violation of legal, statutory and self-regulatory provisions functional to the prevention of the use of the financial system for the purposes of money laundering, terrorist financing or crime. During 2024, SIMEST continued its monitoring and control activities, which also include reporting suspicious transactions to the Financial Intelligence Unit (FIU) for Italy. These latter, drawn up in the event of anomalies and/or reasonable grounds for suspecting that money laundering or terrorist financing operations are in progress or have been carried out or attempted, are carried out on the basis of available information (anomaly indicators) from internal and external databases and of the evaluation of the objective and subjective elements of the transactions. SIMEST worked in close collaboration and coordination with the Parent Company and with the relevant Authorities, in compliance with current regulations. It should be noted that the process of strengthening anti-money laundering controls and the increase in the volume of operations have been reflected in a significant number of suspicious transactions reported to the FIU.

Compliance risk: the risk of incurring legal or administrative penalties, losses or reputational damage as a result of violations of external provisions (Laws or Regulations) or self-governance rules (e.g., Articles of Association, Codes of Conduct). These risks are particularly relevant in view of SIMEST's institutional role as well as its extensive operations in the management of public funds.
SIMEST adopts the Group framework, which provides for specific policies, procedures and processes, as well as the performance of specific regulatory compliance checks (detailed Compliance Risk Assessment) and effectiveness checks (compliance controls) to prevent, mitigate and reduce the risks of non-compliance, reputational risks and penalties.

Climate and ESG (Environmental, Social, Governance) risks: risks arising from factors related to environmental, social and governance issues with an impact on the performance of counterparties/projects. The climate and sustainability objectives, as set out in the CDP Group's Internal Policies and Code of Ethics, complement the mission and institutional role of SIMEST as a medium and long-term investor supporting the internationalisation of Italian enterprises. SIMEST, in line with the Group's sustainability framework, is committed to guiding investment activities by taking ethical, environmental and governance (ESG) issues into account. In this context, SIMEST has undertaken a process of internal transformation towards a business and operating model oriented towards the creation of sustainable value, in line with the Group's approach and with the 2023-2025 Strategic Plan, envisaging, among other things, the launch of projects aimed at integrating sustainability analysis and ESG risk assessment into the evaluation processes of eligible financing operations.
During the year, activities related to the definition of an ESG risk measurement model continued, in line with the provisions of the Group policy "Assessment and management of ESG risks". Following the entry into force of the aforementioned policy, the controls were expanded to include the appointment of the ESG Risk contact person (i.e. Head of Risk Management) and the inclusion in the opinions of the Evaluation Risk Committee of initial assessments with particular reference to the environmental component. Furthermore, SIMEST has carried out a mapping of the main ESG risks to which the portfolio of equity loans is exposed, participating, among other things, in the double materiality analysis conducted by the Parent Company.

Capital adequacy: the Risk Regulations outline the internal process of assessing the consistency between the capital resources available (represented by equity) and the economic capital necessary to cover existing risks, measured using methodologies consistent with the CDP Group and SIMEST's business model. Results of the 2024 assessments have confirmed the full adequacy of capital resources.

Specific controls are also in place for the subsidised funds managed by SIMEST to monitor and mitigate the main risks to which these funds are exposed.
In particular, the Venture Capital Fund historically works together with SIMEST in supporting the international expansion of SMEs with participatory financing at a subsidised rate. The Venture Capital Fund, alongside traditional operations, supports the internationalisation of Italian innovative start-ups and SMEs (start-up operations), through the subscription of equity investments or the subscription of units/shares of Investment Funds, in collaboration with CDP Venture Capital SGR. The available public resources are divided into investments through fund subscriptions and direct co-investments with CDP Venture Capital SGR. In 2024, the strengthening and consolidation of monitoring controls continued, in particular on credit risk.

With regard to the Law 295/73 Fund, in March 2024, the Subsidies Committee, on the proposal of the SIMEST manager, approved the interest rate and exchange rate risk monitoring framework, which provides for the quantification of risks in line with prudential regulations (through the estimation of the present value of lifetime commitments under stress assumptions), accompanied by a scenario analysis of cash flows, including stress scenarios, over different time horizons and an early warning system on potential developments in the risks assumed. This framework has also been independently assessed by PricewaterhouseCoopers Business Services Srl, and the findings of the analysis conducted further confirm the adequacy of the framework and its alignment with best market practices, in accordance with the provisions of the regulations (i.e. Budget Law 2024). The monitoring activities carried out during the year confirmed the effectiveness of the indicators identified and the warning thresholds introduced.

With regard to the Law 394/81 Fund, in 2024, there was continued strengthening and consolidation of the integrated system of controls to oversee the reputational risks of fraud and money laundering. Furthermore, with regard to credit risk, monitoring and reporting activities continued to be carried out for the corporate bodies and interministerial committees.

Within the framework of SIMEST's 2023-2025 Strategic Plan, the Risk Department, by participating in various working groups, contributes to the implementation of cross-functional activities.

7. INTERNAL CONTROL SYSTEM

SIMEST has developed an internal control system consisting of a set of safeguards, rules, functions, structures, processes and procedures aimed at identifying, measuring or assessing, monitoring, preventing or mitigating, and promptly communicating to the appropriate hierarchical levels, all risks assumed or that may be assumed in the various operating segments within which it carries out its business activities, as well as ensuring compliance with the relevant regulations, compliance with corporate strategies (including sustainability) and the achievement of the objectives set by management. Therefore, the internal control system aims to ensure, in accordance with sound and prudent management, the achievement of the following objectives:

- verify the implementation of corporate strategies and policies;
- contain the risk within the limits indicated in the reference framework for determining the Company's risk appetite;
- safeguard the value of assets and protect against losses;
- ensure the effectiveness and efficiency of business processes;
- ensure the reliability and security of company information and IT procedures;
- prevent the risk of the Company becoming involved, even unintentionally, in illegal activities;
- ensure that operations comply with the law and industry regulations, as well as with internal policies, regulations and procedures.

The internal control system has been implemented on three levels of control and is based on industry regulations and applicable best practices, including the guidelines of the international reference organisation for the internal auditing profession, the Institute of Internal Auditors (IIA).

First-level controls, or line controls, provided for by organisational procedures and designed to ensure that operations are carried out correctly in accordance with the assigned risk limits and objectives, are performed by the operational, administrative and business units (known as "First-level control functions").

Second-level controls, or risk management controls, are entrusted to organisational units that are separate from the above and pursue the objective of contributing to the definition of risk measurement methodologies, verifying compliance with the operating limits assigned to the various functions, checking the consistency of the operations and results of the production areas with the assigned risk and return objectives, and overseeing the proper implementation of risk management policies and the compliance of activities and company regulations with applicable legislation. The functions assigned to these controls (known as "Second-level control functions"), include Risk Management and Compliance and Anti-Money Laundering. These functions are located in the Risk Management Department, which reports directly to the Chief Executive Officer.

The Risk Management Function monitors the operational risk management framework, with particular reference to: i) the assessment of the level of company exposure to operational risks (Risk Self-Assessment) and ii) the collection and analysis of internal loss data attributable to operational risk events (Loss Data Collection), also monitoring the effective execution of any actions to mitigate risks identified during the periodic follow-ups.

The Planning and Control Area, which reports directly to the Administration, Finance and Control Department, is also included among the structures responsible for carrying out activities similar to second-level controls. It assesses the risks of errors and misconduct for the purposes of accounting and financial reporting pursuant to Italian Law no. 262/05, and carries out control activities on processes relevant to the purposes of Law 262 with reference to the adequacy and effective operation of administrative and accounting procedures. The representation of functions with control tasks assigned by law is completed by the Supervisory Body, which is responsible for the tasks described in paragraph 6 of the Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001, to which reference should be made.

Lastly, third-level controls are implemented by the Internal Audit Function, which ensures the monitoring and periodic assessment of the effectiveness and efficiency of the risk management, control and governance system, with respect to the nature and intensity of the risks.

In order to carry out its activities, Internal Audit prepares an annual plan that defines the activities to be performed and the objectives to be pursued, according to a risk-based approach aimed at determining the priorities for action based on the level of risk identified for each business process, also based on a comparison with other company control functions. The plan also takes into account any recommendations made by the Chairman of the Board of Directors, the Chief Executive Officer and General Manager, as well as other corporate bodies, and is subject to approval by the Board of Directors.

The issues identified during each audit are immediately reported to the relevant business units so that they can implement the necessary corrective actions, which are subject to constant monitoring by Internal Audit.

Moreover, the Internal Audit Function reports at least every six months to the Board of Directors, the Board of Statutory Auditors and the Supervisory Body on the progress of the annual plan, on the activities carried out, on the main problems identified and on the progress of the corrective actions identified by SIMEST, highlighting any risks not adequately mitigated in relation to the failure or ineffective removal of the anomalies identified in its audit activities.

To further monitor SIMEST's risks, the second and third-level control structures prepare, with the support of the Operations Control Function, a report known as the integrated master plan of the control structures, in order to provide an overall view of the corrective actions identified in the context of the audits carried out, ensuring a regular update on the relevant implementation to the top management and the corporate bodies.

The governance of the internal control system is consistent with the Group approach, also by virtue of the composition and operating methods of the Managerial Committees (joint technical-advisory boards), ensuring a more effective and efficient overall risk management and control system.

In order to strengthen risk governance, on the basis of the D&C General Principles, "enhanced" decision-making processes (i.e. Non-Binding Opinions) are also envisaged with processes going back to the Parent Company.

8. GOVERNANCE AND SUPPORT ACTIVITIES

8.1 Communications

In 2024, SIMEST adopted an integrated, multi-channel communication strategy designed to bring it closer to Italian businesses and support them with targeted financial instruments. Every action was guided by the goal of engaging specific targets, promoting consistent messages through an effective combination of online and offline channels. This vision has enabled SIMEST to consolidate its position as a reliable Partner for the internationalisation and innovation of businesses.

Advertising campaigns

Two multimedia advertising campaigns, co-branded with the Ministry of Foreign Affairs and International Cooperation (MAECI), were the highlights of the year.
The first campaign, launched in March, celebrated the extraordinary results achieved in 2023: over 7,000 funding applications for projects that helped strengthen the competitiveness of Made in Italy products worldwide. This emblematic number has become the focal point of the creative concept, evoking a vision of a modern, sustainable and digital enterprise. Particular emphasis has been placed on supporting businesses in Southern Italy and on projects related to digital transition and sustainability, with total funding requests reaching 4 billion euro.
The second campaign, launched in July with a follow-up in autumn, introduced the new Africa Measure, strengthening SIMEST's brand positioning in relation to a continent rich in opportunities. With the slogan "A continent of opportunities, to grow together" and vibrant creativity inspired by the colours of Africa, the campaign invited Italian companies to explore the potential of emerging markets while contributing to sustainable development. The silhouette of the African continent, accompanied by histograms and other graphic elements inspired by the SIMEST logo, highlighted strategic sectors such as energy and digital transition, agriculture, training, renewable energy and health.
The carefully diversified media plan included print, radio, digital advertising, connected TV and high-impact digital billboards at key transport hubs such as airports and railway stations.

Events and trade fairs

SIMEST participated in events of national and international importance to promote its values of innovation, sustainability and inclusion, strengthening its role as a key Partner for Italian companies in global markets. Attending trade fairs has enabled us to engage in direct dialogue with entrepreneurs, facilitating immediate discussion of their needs and the opportunities offered by our financial instruments.

The new SIMEST website

Another important milestone of 2024 was the launch of the new SIMEST website. Designed to offer an intuitive and modern user experience, the site is a key tool for ensuring accessibility and transparency. Through simplified navigation and updated content, the portal allows companies to quickly access information on the loans and services offered, strengthening the direct relationship with our stakeholders.

Presence in Italy and abroad

With a network of offices in Italy and abroad, SIMEST has strengthened its proximity to businesses by guaranteeing direct and timely support. Each office has been designed to reflect the company's brand identity, becoming a true "local ambassador" for our mission. Through this presence, SIMEST has been able to establish ongoing dialogue with the local business community, supporting companies in their growth on international markets.

Consistent communication and dedicated materials

All communication materials, from institutional videos to informative brochures, have been designed to highlight the successes of the Italian companies supported by SIMEST. This consistent communication, enhanced by a graphic restyling across all media, has been fundamental in conveying a message of continuity and reliability, focusing on the stories of innovation, success and growth of our Italian companies and confirming our commitment to the sustainable growth of Made in Italy around the world.

8.2 Organisation and human resources

Organisational structure and workforce

During 2024, some revisions of the Company organisational structure were carried out with a view to: (i) greater rationalisation of the activities of the structures, in order to guarantee improved operational efficiency through the specialisation of roles and the strengthening of skills, (ii) achieving the simplification and streamlining objectives set forth in SIMEST's 2023-2025 Strategic Plan.
On 9 February 2024, SIMEST's organisational structure was revised, with organisational updates exclusively affecting the Areas and Units, thus leaving the scope of the Departments unchanged.
The organisational updates are presented below:

- Administration, Finance and Control Department:
  - the sub-division of the "Treasury" Area into the "Front Office Treasury" and "Back Office Treasury" Units was eliminated.
- Digital Innovation and Operations Department:
  - the "Internal Operations and Purchasing" Area was eliminated;
  - the "General Services" Area was created to manage logistics and internal operations;
  - the "Purchasing and Document Management" Area was created to manage purchasing and document management activities.
- Equity Investments Department:
  - change of name of the "Business Relations" Area to "Corporate Business Relations" and change of the name of the underlying Units "North West Team", "North East Team" and "Centre South Team" respectively to "North West Corporate Relations - Equity investments and Subsidised Finance", "North East Corporate Relations - Equity investments and Subsidised Finance" and "Central South Corporate Relations - Equity investments and Subsidised Finance", with the inclusion of activities to promote subsidised finance instruments;

  - creation of the "Extraordinary Finance" Area for the management of Equity, M&A advisory and Financial Sponsors activities;
  - the "Restructuring & Middle Office" Area was eliminated;
  - the "Equity Investments Middle Office" Area was established to manage equity investment activities (previously a Unit reporting to the "Restructuring & Middle Office" Area);
  - the "Equity Investment Structuring and Monitoring" Area was created to handle structured finance and equity investment monitoring activities. This area is divided into two Units: "Structured Finance", responsible for executing equity investment transactions, and "Equity Investment Monitoring", responsible for monitoring the equity investment portfolio. The functional reporting line to the Risk Management Department has been maintained, as previously in place with the "Asset Quality, NPL and Equity Investment Monitoring" Unit.
- Export and Subsidised Finance Department:
  - export portfolio management and monitoring activities were integrated into the "Export support Law 295/73 Fund" Area. At the same time, the "Buyer Credit Assessment" and "Supplier Credit Assessment" Units were merged into a single unit named "Export Assessment", and a new unit called "Export Portfolio Management and Monitoring" was established for the oversight and management of the export portfolio (previously under the "Export Portfolio and Subsidised Finance Management and Monitoring" Area);
  - the "Export Portfolio and Subsidised Finance Management and Monitoring" Area was renamed "Subsidised Finance Management and Monitoring", with the removal of the export portfolio management and monitoring functions;
  - a new "First-Level Controls" Area was created to oversee first-level checks on export and subsidised finance operations (previously managed by the individual assessment and management units), as well as administrative back-office activities.
- People and Organisation Department:
  - the "People Management and Talent Acquisition" Area was renamed "Selection, Employer Branding and D&I", with the inclusion of Diversity & Inclusion (D&I) activities (previously under the remit of the People and Organisation Department), and the transfer of personnel administration activities to the "Trade Union Relations and Personnel Administration" Area;
  - the "Labour and Trade Union Relations" Area was renamed "Trade Union Relations and Personnel Administration", with the inclusion of personnel administration activities (previously managed by the "People Management and Talent Acquisition" Area);
  - the "Compensation and Organisation" Area was renamed "Compensation, Welfare and Organisation";
  - the "Cross-Company Support" Area was renamed "People Management, Change, Training and Development", incorporating HR Business Partner (HRBP) activities (previously under the "People Management and Talent Acquisition" Area), as well as Change Management, Training and Development (previously under the People and Organisation Department).

On 15 March 2024, SIMEST's Organisation Chart was updated to reflect the organisational structure outlined above. Additionally, as part of this update, responsibility for managing dividend payments to SIMEST shareholders was assigned to the Administration, Finance and Control Department.
On 2 August 2024, the activity related to the acquisition of guarantees under the Law 295/73 Fund — previously under the "Export Portfolio Management and Monitoring" Area — was formally included in the Organisation Chart within the "Export Support Law 295/73 Fund" Area, under the Export and Subsidised Finance Department.

In the area of Health and Safety in the workplace, in March 2024, the certification of the occupational health and safety management system was renewed in accordance with ISO 45001:2018 standard, with a positive outcome.
Throughout the year, in line with the previous year's trend, emergency response teams (fire safety, first aid and AED) were established to ensure greater coverage of the premises, also taking into account the ongoing application of remote working.
In 2024, two additional Workers' Safety Representatives (RLS) were appointed, bringing the total to three.

The above activities were carried out with the involvement of the Prevention and Protection Service Manager (RSPP), the Company Doctor and the Workers' Safety Representatives (RLS) and providing information to the trade unions on the measures and protocols adopted.
In compliance with Italian Legislative Decree no. 81/08, health and safety officers ("dirigenti prevenzionistici") and supervisors were identified according to their roles within the company structure.
In terms of Physical Security, i.e. risks arising from unlawful actions by individuals or legal entities that may expose people and/or assets (tangible and intangible) belonging to the company/organisation to potential harm and/or damage, SIMEST has:
- signed a service agreement with the Parent Company CDP, under which CDP's Corporate Security Organisational Unit, considering current geopolitical developments, issued rules of conduct to be followed in emergency situations related to travel security ("Conduct in event of emergency");
- issued the ICT and Physical Security Incident Management Procedure on 25.06.2024;
- updated the Access Management and Control Procedure on 25.06.2024;
- updated the procedure for managing relations with public authorities on 20.03.2024.

As at 31 December 2024, the Company's workforce consisted of the following:

COMPANY WORKFORCE*

	Workforce as at 31/12/2024*	Workforce as at 31/12/2023
Senior management	13	14
Middle management	114	112
Non-managerial personnel	100	101
TOTAL	**227**	**227**

* Includes CDP personnel seconded to SIMEST in excess of 50% (13) and SIMEST personnel seconded to other companies in the amount of less than 50% (3), excluding maternity leave replacements

8.3 Legal disputes

As at 31 December 2024, seven proceedings were pending against SIMEST, brought by six counterparties. These are positions for which the risk of losing was classified as remote and which, therefore, did not require provisions.

8.4 Corporate governance

Management and coordination activities

On 27 September 2022, SIMEST's Board of Directors approved the placement of SIMEST under the management and coordination by the Parent Company CDP[19] and subsequently, on 25 October 2022, resolved the acknowledgement of the "General principles on the exercise of management and coordination activities" of the CDP Group, in compliance with the full management autonomy of SIMEST, as well as the regulations applicable to the public funds managed by it, and in particular the role and specific responsibilities of the related inter-ministerial public committees and the prerogatives of the Ministry of Foreign Affairs and International Cooperation, pursuant to Law no. 100/1990.

19 On 21 March 2022, in execution of Article 1, paragraph 1, letter a), of the Decree of the Ministry of Economy and Finance, in agreement with the Ministry of Foreign Affairs and International Cooperation – signed respectively on 19 January 2022 and 22 January 2022, and registered by the Court of Auditors – SACE SpA ("SACE") transferred to Cassa Depositi e Prestiti SpA the equity investment held in SIMEST, equal to 76.005% of the share capital of SIMEST. As a result of the endorsement of the related share certificate, with effect from 21 March 2022, SACE ceased to exercise management and coordination activities over SIMEST.

Organisational model pursuant to Italian Legislative Decree no. 231/2001 and Supervisory Body

SIMEST adopted the "Organisation, Management and Control Model" (hereinafter, for the sake of brevity, also "231 Model" or "Model") pursuant to Italian Legislative Decree no. 231/2001 (hereinafter, for the sake of brevity, also "Decree"), which identifies the company areas and operations that are most exposed to the risk of commission of the offences set forth in the Decree, along with the principles, rules and regulations of the control system adopted to supervise significant operating activities. This document is the result of the assessment of the corporate structure and the operations of SIMEST and has the primary purpose of providing the Company with a Model that constitutes an exemption from administrative liability in the event predicate offences are committed by top management, subordinates or parties acting on behalf of SIMEST and in its name.
The current 231 Model was approved by SIMEST's Board of Directors at its meeting on 8 February 2024 and incorporates the new regulations on the administrative liability of entities referred to in the Decree and the doctrinal and jurisprudential guidelines on the subject that have come into force since the date of its previous revision (i.e. 14 July 2023 for the General Part and 11 February 2021 for the Special Part), as well as developments in the Company's internal regulatory framework. The update in question also allowed for refinements to be made to ensure greater effectiveness of information flows to the Supervisory Body pursuant to Italian Legislative Decree no. 231/01.
The Supervisory Body (hereinafter, for the sake of brevity, also "SB") currently in office was appointed by SIMEST's Board of Directors on 25 October 2022, with effect from 1 November 2022. The causes of ineligibility and forfeiture envisaged for statutory auditors by the statutory and regulatory provisions in force from time to time apply to the members of the Supervisory Body.
The Supervisory Body is entrusted with the task of supervising the functioning and observance of the 231 Model, as well as proposing updates to its contents and assisting the competent corporate bodies in its correct and effective implementation. The functioning of the SB is established in the specific Regulation that it has adopted.
The SB relies on the Company's Internal Audit Function for its secretarial and operational activities.

Code of Ethics

The Code of Ethics – which forms an integral part of the 231 Model – outlines the principles, standards and rules of conduct that CDP and the Group companies subject to its management and coordination (including SIMEST) recognise, accept, share and are committed to upholding in all activities, in internal relations, in relation to the environment, and in dealings with stakeholders. This is done in consideration of the types of legal relationships involved and the applicable legislative, regulatory, statutory and contractual provisions.
Following its subjection to the management and coordination of CDP, SIMEST adopted the "Code of Ethics of Cassa Depositi e Prestiti SpA and of the Companies subject to its management and coordination". The current version was approved by CDP in the meeting held on 9 May 2024 and adopted by SIMEST's Board of Directors in its meeting on 29 May 2024.
Both the Code of Ethics and the General Part of SIMEST's Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/01 can be found on the Company's website.

Internal committees

On 19 February 2024, the company committees were updated to align with the new organisational model.
A Diversity, Equity and Inclusion Committee was also established to ensure continuous oversight of matters relating to diversity, equity, and inclusion.
On 2 August 2024, the company committees were further updated, with specific reference to the composition and operating procedures of the Risk Assessment Committee.

Related Parties

Since 21 March 2022, the Company is 76% owned by CDP SpA.
With regard to relations with the majority shareholder CDP SpA, in accordance with Article 2428 of the Italian Civil Code, we hereby report that there is an agreement between SIMEST, CDP and SACE – known as the "Export Bank Agreement" – which establishes that CDP is to provide financial support and SACE is to provide guarantees in operations to finance the international expansion and exports of Italian businesses.
In the relations with the majority shareholder, note should be taken of the use, in 2024, of the credit lines provided by Cassa Depositi e Prestiti, both individually and in a pool with other lenders.
Furthermore, also in the relations with CDP, during 2024, compensation was recognised for positions held by its executives on the SIMEST Board of Directors, costs relating to outsourcing contracts and rent paid for offices in Milan, Venice, Naples, Palermo and Bologna.
As at 31 December 2024, there were fourteen active secondments of personnel from CDP (including one with a secondment percentage of less than 50%) and five secondments of SIMEST personnel to CDP (including two with a secondment percentage of less than 50%).
With regard to tax items, the receivable from CDP relates to the Group's Tax Consolidation.
As at 31 December 2024, note should be taken of SIMEST receivable from Ansaldo Energia SpA in relation to the investment in Ansaldo Energia Switzerland AG.
With regard to SACE SRV Srl (a subsidiary of SACE SpA), commercial information, registration and debt collection services are provided, with a maturity date of 31/12/2024. Lastly, there are financial assets in relation to Webuild SpA relating to participating financial instruments and shares.
These transactions with related parties have all been conducted at arm's length.

"Regulation of transactions with related parties" Policy

On 29 February 2024, SIMEST — although not subject to the provisions of Italian Legislative Decree no. 58/1998 (the Consolidated Law on Financial Intermediation, pursuant to Articles 8 and 21 of Law no. 52 of 6 February 1996) and Consob Regulation no. 17221/2010 (Regulation on transactions with related parties), as amended — adopted the policy "Regulation of transactions with related parties" as an additional safeguard for minority shareholders. This policy outlines the criteria and rules to be followed in order to ensure the substantive and procedural transparency and fairness of related-party transactions, in compliance with the obligations set out in Article 2427, paragraph 1, item 22-*bis*) of the Italian Civil Code.
The policy defines the procedures for assessing and approving such transactions, which apply whenever SIMEST carries out operations with related parties. These are defined as any transactions carried out by SIMEST using its own resources that involve the transfer of resources, services or obligations between related parties, regardless of whether compensation has been agreed.
To this end, SIMEST periodically identifies its related parties, and all transactions involving related parties are recorded in a dedicated register.

9. SUSTAINABILITY

9.1 *Corporate Social Responsibility*

SIMEST reaffirms its commitment in 2024 to sustainability and to generating a positive impact for its stakeholders, through initiatives supporting corporate welfare, workplace safety, environmental impact reduction and support for local communities.

In line with the objectives outlined in the 2023-2025 Plan, ESG-related actions have been successfully implemented throughout the year by the various departments involved, thanks to consistent and structured internal coordination across working groups, aimed at achieving the goals of the Strategic Plan. At Group level, SIMEST has also maintained an ongoing dialogue with CDP to proactively contribute to joint initiatives. Specifically, the areas of intervention defined in SIMEST's Strategic Plan for 2024 include: initiatives in support of the corporate community, environmental impact management, support for the local community and, more generally, stakeholder engagement.

Initiatives for employees

In 2024, SIMEST and the RSAs (company union representative bodies) signed an agreement outlining the rules and implementation procedures to facilitate generational turnover through participation in the Solidarity Fund for professional retraining and requalification, to support the employment and income of credit sector personnel (the "Fund"). The Fund is a pre-retirement tool already in use within CDP Group companies, and the terms of the agreement are aligned with those already applied to Group employees. This instrument allows workers, following termination of employment, to be supported until they become eligible for their first pension (early or old-age) through the payment of a special allowance and the payment of related contributions for a maximum period of five years.

In 2024, SIMEST reinforced its focus on employee wellbeing and work-life balance by adopting an initiative previously launched by CDP concerning the right to disconnect. This led to the creation of a "Manifesto for the Right to Disconnect". With this manifesto, SIMEST is piloting a project within the CDP Group, building on existing best practices and introducing new guidance to ensure a sustainable approach to work, both in-office and remotely. The aim is to safeguard personal time and encourage employees to use that time for non-work-related activities.

Furthermore, negotiations with trade unions were successfully concluded, resulting in the signing of the Company Supplementary Agreement (CIA). The CIA aligns with the objectives set out in the "People and Corporate Culture" pillar of SIMEST's 2023-2025 Strategic Plan, which focuses on enhancing employee well-being, promoting diversity, equity and inclusion, and supporting the right to disconnect. It also includes the harmonisation of working time regulations and employee benefits with those of the broader CDP Group.

Throughout 2024, SIMEST signed several sectoral agreements to access funded training opportunities and also entered into an agreement incorporating the provisions of the most recent renewal of the National Collective Labour Agreement relating to working hours.

In line with the other Group companies, SIMEST believes that its people play a central role and that they should be supported with diversified solutions, which is why in 2024 it confirmed the smart working agreement to protect specific cases, giving the possibility to derogate from the limit of 10 days per month.

During the year, the activity of listening to the needs of people continued, through management interviews carried out by the HR Business Partner. The meeting with the People and Organisation Department represented a meaningful opportunity for dialogue, aimed at recognising the contribution of each individual and gathering useful insights to further improve organisational and development dynamics.

SIMEST continued to promote its international mobility programme, open to all staff, managing the assignments of five colleagues and offering them cross-functional experiences both in Italy and abroad with Partner companies. During the same year, new project proposals were defined, extending also to SIMEST's international offices, inspired by feedback gathered from colleagues. As part of its Employer Branding efforts, SIMEST took part in nineteen different events including job fairs, dedicated meetings and roadshows in collaboration with Partner companies, held at some of Italy's leading universities, covering a wide range of locations. In May 2024, SIMEST obtained the UNI/PdR 125:2022 certification for gender equality, based on an assessment using specific indicators across six macro-areas: i) Culture and Strategy; ii) Governance; iii) HR Processes; iv) Opportunities for growth and inclusion of women in the company; v) Gender pay equity; vi) Parental support and work-life balance. In December 2024, SIMEST also carried out a pre-audit for obtaining the international ISO 30415 certification on Diversity, Equity and Inclusion, with the audit scheduled for March 2025. SIMEST's commitment to reducing the gender pay gap and promoting women in managerial positions continued throughout 2024.

In 2024, SIMEST continued to demonstrate its commitment to its People and, in line with initiatives launched by CDP to support parenthood, introduced the role of the "Maternity Buddy" — a designated point of contact for female colleagues during their maternity leave. The purpose of this role is to ensure they are kept consistently informed about key updates concerning their team, organisational structure and the wider CDP Group.

During 2024, SIMEST, in line with the Group, produced the "Guide to Parenthood" which summarises all the practical information needed to benefit from the protections envisaged by law and the additional services made available by the Company: from leave for medical appointments to leave for children's illness, from parental leave to childcare contributions. Initiatives to support parenting were also continued and strengthened through social and educational contributions and scholarships.

During 2024, in line with what has already been done by CDP, SIMEST introduced the DE&I Helpdesk, which is a dedicated point of contact for listening and reporting, a space capable of creating a more inclusive and respectful working environment for everyone, where ideas, proposals and suggestions can be shared, even anonymously.

In 2024, SIMEST launched an awareness campaign on gender-based violence, organising an initial event in September for the entire company workforce, which explored the concept of violence in its various forms.

During 2024, the training initiatives launched last year continued: cross-functional training (such as language training for all employees on a voluntary basis) and project management training for professionals who manage complex projects involving multiple stakeholders.

The first phase of the "Cultural Regeneration" project, in which managers were involved in a programme to strengthen their managerial skills, was completed in early 2024. During the year, the second phase of the initiative involving the entire management team was launched.

Furthermore, the use of the CDP Group's e-learning portal was consolidated for mandatory training, with a particular focus on courses related to sustainability issues.

May 2024 saw the conclusion of the first edition of the "Punta in alto con SIMEST" (Aim high with SIMEST) initiative aimed at junior SIMEST staff: a programme designed to strengthen soft and technical skills, with a view to supporting and accelerating the professional development and integration of young people at SIMEST.

Additional two-day Offsite Management sessions were organised to strengthen team spirit and engagement among all colleagues involved.

SIMEST launched numerous welfare initiatives and services aimed at ensuring people's well-being, in line with what has already been done by CDP. During 2024, SIMEST confirmed its commitment to prevention by confirming the initiatives already in place for periodic check-ups, nursing care and free specialist medical examinations at its Rome office. SIMEST decided to offer practical help again in 2024, giving all colleagues the opportunity to receive the flu vaccine free of charge

at its Rome office.
In addition, SIMEST decided to enhance its psychological support service, which is completely free and anonymous. With a view to promoting a healthier, more active and balanced lifestyle, it has renewed the option of using a platform that provides access to sports services, including online services. In 2024, SIMEST decided to expand its offering by entering into agreements with leading gyms in the sector.
With regard to mobility, in addition to subsidies for the purchase of public transport season tickets, sustainable mobility services were confirmed for 2024 to facilitate travel to and from work and during leisure time. Furthermore, SIMEST, in line with what has already been done by CDP, has introduced subsidies for the purchase of new means of transport with a lower environmental impact, such as fully electric cars, electric scooters and electric bicycles. In addition, SIMEST has entered into advantageous agreements on electronic toll payment devices and long-term rentals.
With regard to time-saving opportunities, SIMEST has renewed its commitment by providing its employees with a tax assistance service for completing tax returns, a caregiving service dedicated to employees and their families, and an insurance advice desk directly at the SIMEST headquarters in Rome. SIMEST has also introduced an accessible transport service for family members with disabilities.

Furthermore, for the sixth consecutive year, SIMEST has made available a flexible benefits plan with a view to strengthening corporate welfare, guaranteeing greater purchasing power for beneficiaries. Indeed, SIMEST has given its employees the opportunity to convert their production bonus (VAP) into the purchase of services related to personal and family well-being, guaranteeing the accrual of an incentive deriving from the conversion of at least 50% of the bonus.
Initiatives involving employees and their families continued, with a focus on sustainability and the development of innovative projects to reflect on various issues such as pollution and climate change.

SIMEST has also renewed its commitment to its People by providing a new caregiving service designed to improve work-life balance through practical support in day-to-day family management, offering services such as help with household chores, care and babysitting.

Environmental Impact Management

Communication initiatives aimed at the company's workforce continued throughout 2024 with the aim of reducing consumption. These were accompanied by measures to contain consumption and, consequently, reduce the overall GHG (greenhouse gas) emissions generated by SIMEST. In particular, mention should be made of the delayed switching on of air conditioners for the summer season and heating for the winter season – thanks in part to favourable weather conditions – the dissemination of practical tips among the company's employees for careful management of these systems, and the continuation of the process of replacing the company's fleet of vehicles with more efficient models.
Significant for the reduction of the company's carbon footprint was the signing, starting in August 2024, of a contract for the supply of electricity from renewable sources only, with the issue of an adequate guarantee of origin to ensure that the emissions generated by the purchase of electricity are zero (Scope 2).
Equally important was the initiative to encourage the use of sustainable means of transport for commuting to work through agreements, contributions from the company and discounts for the use of electric motorcycles, scooters, bicycles and public transport, as well as specific contributions for the purchase of less polluting means of transport.

Community initiatives

In line with the 2023-2025 Strategic Plan, activities aimed at engaging and supporting the local community have been further strengthened, including through support from local third sector organisations. In particular, SIMEST employees spent a total of 840 hours on corporate volunteering activities focused on specific population groups, such as vulnerable young people or those at risk of dropping out of school, women in difficulty and homeless people. Following the volunteer days, a new edition of the SIMEST day dedicated to sustainability issues was organised, during which special attention was paid to the topic of social impact and awareness of the importance of ESG issues.
Furthermore, during the year, SIMEST proactively contributed to the Group's volunteering programme as part of the activities of the "Protagonisti d'impatto" (Impact Leaders) platform.

Stakeholder management

With regard to the management of relations with stakeholders, and in particular with the Parent Company, SIMEST continued to progressively integrate and align itself with the Group's governance and management processes for ESG issues.
In this regard, SIMEST contributed to the preparatory work for the introduction of the new EU reporting standards in accordance with the CSRD EFRAG ESRSs) and, subsequently, to the preparation of the Group Sustainability Report – both for the half-yearly document and for the annual report – in line with the reporting standards adopted.
At the same time, SIMEST contributed to the strategic monitoring of the CDP Group, a unique tool for estimating the economic and social impact that the Group's interventions generate for the benefit of the country.
In addition, the SIMEST community participated in the development of the Group's double materiality matrix (in particular the impact matrix), in order to understand the company's point of view given its different positioning and the specific audience of stakeholders it addresses.
Finally, during the year, again with a view to sharing and discussing with stakeholders, two further stages of the roadshow were organised – in Bologna and Venice – with companies on the themes of internationalisation and sustainability as a factor for success and increased competitiveness.

10. BALANCE SHEET AND INCOME STATEMENT FIGURES

An analysis of the Financial Statements as at 31 December 2024 is provided below. Both the balance sheet and the income statement have been reclassified based on operational criteria.

10.1 Reclassified balance sheet

The Assets in the reclassified balance sheet as at 31 December 2024 included the following items:

ASSET ITEMS (millions of euro)

	31/12/24	31/12/23	Change %
Cash and cash equivalents	0.0	0.1	-46%
Financial assets measured at fair value through other comprehensive income	5.2	5.2	0%
Receivables for equity investments	481.9	471.1	2%
Other financial receivables	3.0	3.4	-12%
Property, plant and equipment	9.7	11.2	-13%
of which: right of use on buildings	*8.9*	*10.3*	*-13%*
Intangible assets	3.1	2.6	21%
Tax assets	2.3	1.2	85%
a) current	*0.8*		*n/a*
b) deferred	*1.5*	*1.2*	*20%*
Other assets	33.1	22.6	47%
TOTAL ASSETS	**538.2**	**517.3**	**4%**

As at 31 December 2024, total assets amounted to 538.2 million euro (517.3 million euro as at 31 December 2023), an increase of 20.9 million euro from the previous year. The changes in Assets are mainly due to the increase in the total value of "Receivables for equity investments", which amounted to 481.9 million euro (471.1 million euro as at 31 December 2023). This is the main asset item, accounting for about 90% of the total. As a result of application of the IAS/IFRS, the allocation of these amounts to "Receivables for equity investments" takes account of the characteristics of SIMEST's operations in assisting Italian Partner companies for a specified period of time where the Partners' obligation to repurchase the stake at maturity qualifies the transaction, under those standards, as a receivable from the partners, even though they relate to subscribed equity investments. The increase of 10.8 million euro in this item is mainly due to the timing of payments for equity investments and shareholder loans (74.3 million euro), collections (-50.4 million euro) and valuation activities, which recorded analytical write-downs on impaired positions (-14.8 million euro) and a release of collective impairment, relating to performing positions (+1.7 million euro), in the loan portfolio.

"Financial assets measured at fair value through other comprehensive income" as at 31 December 2024 amounted to 5.2 million euro, unchanged from 31 December 2023, and represent the equity investment in FINEST (which is not an associate).
"Other financial receivables", amounting to 3 million euro (3.4 million euro as at 31 December 2023), refer to mortgage and personal loans granted to employees.
The item "Property, plant and equipment", equal to 9.7 million euro as at 31 December 2024 (11.2 million euro as at 31 December 2023), takes into account the application, with effect from 1 January 2019, of IFRS 16. In particular, the amount includes approximately 8.9 million euro relating to the right of use of the leased building housing the Company headquarters in Rome.
"Tax assets" amounted to 2.3 million euro (1.2 million euro as at 31 December 2023), of which 1.5 million euro related to deferred tax assets recognised on economic components that will become taxable in future tax periods, and 0.8 million euro to current tax receivables due to higher advance payments made during the year.
Lastly, "Other assets", amounting to 33.1 million euro (22.6 million euro as at 31 December 2023), mainly include trade receivables accrued for the management of public funds under agreement for 26.2 million euro (21.9 million euro as at 31 December 2023), the receivable from CDP for tax consolidation amounting to 2.6 million euro and advances to suppliers and other assets amounting to 4.3 million euro.

LIABILITIES AND EQUITY ITEMS (millions of euro)

	31/12/24	31/12/23	Change %
Loans payable measured at amortised cost	190.6	179.2	6%
Other liabilities and tax liabilities	22.4	18.8	20%
Employee severance indemnity	0.8	1.4	-42%
Provisions for risks and charges	3.6	4.9	-27%
Equity	320.9	313.1	2%
TOTAL LIABILITIES AND EQUITY	**538.2**	**517.3**	**4%**

As at 31 December 2024, "Loans payable measured at amortised cost" amounted to 190.6 million euro (179.2 million euro as at 31 December 2023) and refer to the use of loans and credit lines granted by CDP and other banks, aimed at supporting net flows of funding. As at 31 December 2024, this item also included payables (9.5 million euro) arising from rights of use acquired under leases, based on the IFRS 16.
"Other liabilities and tax liabilities", totalling 22.4 million euro (18.8 million euro as at 31 December 2023), mainly include trade payables and other items in the amount of 16.6 million euro (13.7 million euro as at 31 December 2023), amounts due to employees, the related social security contributions and other liabilities in the amount of 5.8 million euro (5.1 million euro as at 31 December 2023).
"Employee severance indemnity", amounting to 0.8 million euro (1.4 million euro as at 31 December 2023), reflects the amounts due to employees under the specific legal and contractual provisions in force as at 31 December 2024. These amounts are recognised in the financial statements in accordance with IAS 19. The reduction in the period refers to payments to employees who terminated their employment during the year.
"Provisions for risks and charges", amounting to 3.6 million euro (4.9 million euro as at 31 December 2023), represent provisions for likely liabilities relating to personnel charges and other provisions that relate to risks arising from the Company's core business.
As at 31 December 2024, "Equity" amounted to 320.9 million euro (313.1 million euro as at 31 December 2023) and represented approximately 60% of total liabilities.

10.2 Reclassified income statement

The economic performance of SIMEST was analysed using the reclassified income statement layout:

INCOME STATEMENT (millions of euro)

	2024	2023	Change %
Income from equity investments	27.6	27.1	2%
Interest expense and similar expense	(6.8)	(5.7)	19%
Commission income	57.5	47.3	22%
Net profit (loss) on assets mandatorily measured at fair value through profit or loss	2.4	(3.9)	-162%
Gross income	**80.73**	**64.8**	**25%**
Net adjustments/recoveries for credit risk on assets measured at amortised cost	(12.0)	(5.5)	119%
Administrative expenses and other expense and income	(56.0)	(44.7)	25%
Other operating income (costs)	0.3	0.0	-
Operating result	**13.0**	**14.6**	**-11%**
Net allocations to provisions for risks and charges	1.1	(2.2)	-
Net adjustments/recoveries on property, plant and equipment and intangible assets	(4.5)	(3.5)	28%
Income (Loss) before tax	**9.6**	**8.9**	**8%**
Income tax for the year	(1.9)	(5.4)	-65%
INCOME (LOSS) FOR THE YEAR	**7.7**	**3.5**	**119%**

The income statement shows that in 2024 SIMEST posted a net income of 7.7 million euro (3.5 million euro in 2023) after provisions for taxes (current and deferred) of 1.9 million euro.
On the revenue side, "Income from equity investments" totalled 27.6 million euro (27.1 million euro in 2023) and includes fees, interest on deferred payments and default interest on equity investments as well as interest on shareholder loans.
"Interest expense and similar expense" amounted to 6.8 million euro (5.7 million euro in 2023) and refers to interest expense on financial payables. In addition, as at 31 December 2024, this item also included the interest expense on lease payments recognised on the basis of the IFRS 16 (0.4 million euro). The average annual cost of financial payables for 2024 was approximately 3.5%, up compared to 2023 (2.8%).
"Commission income" totalled 57.5 million euro, up 10.2 million euro (47.3 million euro in 2023), and essentially concerns fees received for management of the Venture Capital Fund, the Law 394/81 Fund and the NRRP sub-measure, the Sustainable Growth Fund, and the Law 295/73 Fund. The increase is primarily attributable to higher NRRP-related fees and greater reimbursable costs incurred.

"Net profit (loss) on financial assets and liabilities measured at fair value through profit or loss" refers to the fair value measurement of some of the receivables for equity investments that did not pass the SPPI test (under IFRS 9) and amounts to a positive 2.4 million euro, which takes into account individual write-downs (in terms of principal, fees and default interest net of value reversals) applied to impaired positions of approximately 3.7 million euro, offset by value reversals and capital gains of approximately 6.1 million euro. It should be noted that, as part of the fair value measurement model, in line with the Parent Company CDP, the value sets for the probability of default (PD) Point in Time were confirmed and the market variables were updated.

"Gross income" for 2024 amounted to 80.7 million euro.
The item "Net adjustments/recoveries for credit risk on assets measured at amortised cost" amounted to 12 million euro and refers to value adjustments made to the portion of receivables for equity investments and shareholder loans.
"Administrative expenses" amounted to 56 million euro (44.7 million euro in 2023), an increase of 11.3 million euro. The increase is mainly attributable to higher costs incurred for external support in the management of soft loans, linked to the expense reporting phase, particularly for loans relating to the NRRP measure, higher ICT costs enabled by investments to support digital transformation, and higher related taxes. Higher costs were also recorded in the "People" segment, linked both to the consolidation of the staffing plan and organisational structure and to the full impact of the adjustment of the National Collective Labour Agreement in 2024, in addition to the increase in "Early retirement incentives".
"Net adjustments on property, plant and equipment and intangible assets", deriving from the depreciation of capital goods, amounted to 4.5 million euro (3.5 million euro in 2023) and take into account the higher investments in ICT implemented to enable the digital transformation envisaged in the 2023-2025 Strategic Plan and the application of IFRS 16.
The operating result for 2024 was a positive 13 million euro.
As a result of the above trends, "Income before tax" of 9.6 million euro was recorded (8.9 million euro in 2023).

Taxes for the 2024 financial year amounted to 1.9 million euro (5.4 million euro in 2023). Current taxes for the 2024 financial year have been determined in accordance with the opinion of the Italian Revenue Agency, as set out in its response of February 2025 to the request for legal advice submitted by SIMEST in October 2024. In this regard, it should be noted that the Italian Revenue Agency has recognised that SIMEST is subject to the principle of "enhanced derivation" pursuant to Article 83 of the Consolidated Income Tax Act (TUIR), with reference to equity investment contracts entered into from 2017 onwards, recorded under "Financial assets measured at amortised cost". This circumstance consequently led to a reduction in current taxes for the financial year.

11. DISCLOSURE ON THE MACROECONOMIC SCENARIO

Disclosure on risks, significant uncertainties and other potential impacts of the macroeconomic scenario

During 2024, the global economy showed good resilience, with substantially positive signs of growth despite continuing high uncertainty linked to the evolution of geopolitical tensions, which could have a negative impact by weakening future growth prospects.

The positive signals particularly concerned inflation – which slowed more quickly than expected thanks to the drop in energy commodity prices and the effectiveness of restrictive monetary policies – and employment rates, as labour market conditions remained strong in many areas.

As regards the global geopolitical scenario, 2024 saw the continuation of conflicts in various areas of continental Europe (the war between Russia and Ukraine continued with heavy bombing and, given the agreements signed between Ukraine, the EU and NATO, the partnership between China, North Korea and Russia was strengthened) and the Middle East (with tensions spreading to Gaza, the West Bank, Lebanon, the Red Sea, Iran and Syria).[20] Furthermore, additional uncertainty arose from developments in the world's major economies: on the one hand, the real estate and demographic crisis in China and, on the other, the outcome of the US presidential election, with the possibility that the next administration will pursue protectionist policies that could harm international trade in goods and services.

The latest forecasts published by the European Central Bank (ECB) point to incremental growth in global GDP for this year and next (+3.4% for 2024 and +3.5% in 2025), with a slowdown in the following two years (+3.3% in 2026 and +3.2% in 2027)[21].

With particular reference to the Eurozone, positive signs of recovery emerged during the year: GDP recorded moderate quarterly increases, supported by a recovery in domestic demand. The latest ECB data suggest a slight weakening of growth in the short term – amid geopolitical uncertainties and a decline in confidence – and an acceleration in the medium term thanks to a recovery in consumption, stronger external demand and the fading of the dampening effects of previous monetary policy. According to projections, GDP will close at +0.7% in 2024 and grow by 1.1% in 2025, 1.4% in 2026 and 1.3% in 2027[22].

For the Italian economy, after a period of stagnation in GDP growth in the third quarter of the year, the latest forecasts confirm moderate growth for 2024 (+0.5%) and slightly stronger growth in 2025 (+0.8%), in light of the recovery in consumption – supported by household purchasing power and lower interest rates – and exports. Investments are expected to be held back by the scaling back of incentives for residential construction, although estimates reflect a potential benefit from the implementation of NRRP projects and the gradual reduction in financing costs[23].

20 *The geopolitical month*, CDP, December 2024.
21 European Central Bank, *Macroeconomic projections*, December 2024. Figure referring to world GDP in real terms (excluding the Eurozone).
22 European Central Bank, *Macroeconomic projections*, December 2024.
23 Bank of Italy, *Macroeconomic projections for the Italian economy (Coordinated Eurosystem exercise)*, 13 December 2024.

Furthermore, the forecast horizon for the end of 2024 is affected by weak supply from businesses: the decline in industrial production and the crisis in certain sectors (particularly the automotive sector) have had a negative impact on investment and imports; for 2025, despite continuing uncertainty in the geopolitical environment and the risk of protectionist pressures, the possible positive effect of a stabilisation in global demand and a slight strengthening of international trade is expected to be felt[24].

With regard to the price reduction trend that began in 2023, this continued in 2024; however, it should have largely concluded its downward phase and be on the path to normalisation. In Italy, where the disinflationary process was more pronounced in the first half of the year than in the main European partner countries, a slight but gradual increase is expected, thanks to the end of the downward phase in the prices of components that contributed most to the disinflationary process (primarily energy). In particular, in the euro area, overall inflation measured by the HICP is expected to fall on average from 5.4% in 2023 to 2.4% in 2024 and 2.1% in 2025[25]; in Italy, it is expected to fall from 5.9% in 2023 to 1.1% in 2024 and 1.5% in 2025[26].

On the monetary policy front,in light of inflationary trends (in line with expectations) and still restrictive financing conditions, the ECB initiated a cycle of interest rate cuts starting in June 2024 (implementing reductions of 0.25 percentage points in June, September, October and December).

These measures began to show initial effects during the year on the trend of risk-free rates, resulting in benefits for the overall cost of credit to businesses. The Interest Rate Swap (IRS) across all maturities showed a decline over the year (e.g., the 1Y IRS fell from 3.45% in December 2023 to 2.34% in December 2024). In the context of European bond yields, the spread between ten-year Italian government bonds and their German counterparts stood at below 120 basis points at the end of 2024.

As a result, financing conditions for businesses benefited from the reduced cost of bank funding. However, the latest data released by the Bank of Italy (October 2024) regarding credit demand indicate that Italian businesses continued to experience a contraction trend – already underway since 2023 – due to lower demand for investment, reflecting increased reliance on self-financing and alternative credit sources, with a 3.1% year-on-year decrease.[27][28]

In terms of credit risk, the most recent projections for the Italian economy[29] indicate a gradual increase in the rate of deterioration of loans to businesses, expected to average 2.8% in 2025. This trend is driven by the continued high cost of financing and declining corporate profitability.

This scenario also highlights potential impacts for SIMEST, particularly with regard to credit risk due to the possible deterioration in creditworthiness (worsening of credit ratings/increase in expected defaults) and related provisions, with consequential effects on forecasts and budgets, as well as risks related to fraud, anti-money laundering and reputational issues — especially given SIMEST's management of public funds.

24 Istat, *The outlook for the Italian economy in 2024-2025*, 5 December 2024.
25 European Central Bank, *Macroeconomic projections*, December 2024.
26 Bank of Italy, *Macroeconomic Projections for the Italian economy (Coordinated Eurosystem exercise)*, 13 December 2024.
27 Bank of Italy, *Economic Bulletin 4/2024*, October 2024.
28 ABI, *Monthly Outlook*, December 2024.
29 Bank of Italy, *Financial Stability Report no. 2/2024*, November 2024 (data referring to June 2024).

In order to better monitor the risks associated with the historical reference context, SIMEST's control functions continued to consolidate the framework for the monitoring and control of risks, in order to understand, in an even more prompt manner, any changes in the scenario in terms of credit, liquidity, interest rate and other risks and ensuring reactivity and an ability to adapt.

Credit risk

With regard to credit risk, SIMEST continued to strengthen its credit measurement and monitoring models and tools, taking into account the current macroeconomic environment, applying prudent provisioning policies both at the portfolio level (collective) and for individual counterparties (specific).

For the portfolio component measured at amortised cost (accounting for 95% of the performing portfolio as of December 2024), the Expected Credit Loss model factored in: (i) updated risk parameters, including revised ratings for "single name" exposures subject to targeted performance reviews and monitoring, and (ii) the application of prudent classification criteria to Stage 2 for those portions of the portfolio most exposed to macroeconomic pressures. In particular, for the valuation of Expected Credit Losses, SIMEST uses the methodology developed internally by the Parent Company, which makes provision for:

- a robust estimate of the probability of default Through the Cycle, which incorporates not only historical information, but forward-looking elements aimed at ensuring the adequacy of the estimates even in periods of serious crisis, over the entire life of the financial instruments;
- an internal model for estimating the cyclical component of probabilities of default, aimed at producing forward-looking estimates of Point in Time parameters.

The model for estimating the cyclical component incorporates the main macroeconomic drivers including the trend in GDP and the employment rate, with reference to the Eurozone and the USA. The quantitative model implemented internally has not undergone any changes, in particular without applying corrective measures on a sector basis, since it was considered that any alternative methodologies do not offer a greater degree of reliability in the current phase, instead introducing, at least potentially, greater risks of arbitrariness. Although the effects of the changing economic context are hardly visible up until now on the counterparties in the portfolio, the Parent Company saw fit to maintain a management overlay (introduced with reference to the 2021 financial statements) in quantifying the ECL, aimed at offsetting the effect of decreasing the Point-in-Time default probabilities that otherwise would be the result of the trend recorded by the macroeconomic and credit indicators observed in the model. The application of this overlay, consistent with the recommendations of the Supervisory Authority in the banking sector aimed at limiting excessive volatility in the quantification of reserves, is understood as referring to the contingent situation: the Parent Company will assess the evolution of the economic framework in order to remove it in the event of a return to a situation characterised by minor anomalies.

For the portion of the portfolio measured at fair value, the impairment values, calculated using updated market parameters, factor in interest rate trends and updated risk parameters, including ratings. However, the overall effect was mitigated by the gradual reduction in fair value exposures, which represent approximately 5% of the performing portfolio as at December 2024.

The coverage ratio of the performing portfolio stood at 2.2% as at December 2024, down from December 2023. This decrease is due to an increase in volumes with lower-than-average coverage compared to the existing portfolio, the normal portfolio shift in line with repayment schedules, and the default of significant counterparties.
With reference to the analytical impairment, the valuations are carried out at the level of the individual counterparty/transaction according to the expected cash flows, the presence of guarantees, the timing and the recovery percentages, also in view of the reference economic context. In December 2024, the coverage ratio stood at 75%, confirming write-downs at prudent levels.
In the area of public funds, portfolio monitoring of the Venture Capital Fund and the Law 394/81 Fund continued in 2024.

Liquidity and interest rate risk

With regard to liquidity risk, monitoring activities continued on risk indicators formulated in compliance with prudential regulations and suitably adapted to SIMEST's business model: short-term liquidity indicator and structural liquidity indicator. The activities carried out in 2024 confirmed the effectiveness of these indicators.
With reference to tax risk, the framework envisages the adoption of the Repricing Gap methodology, which quantifies the interest rate risk by calculating the imbalance, differentiated by predetermined time buckets, between assets and liabilities exposed to interest rate risk. The Repricing Gap on the various maturities, combined with an assumption of changes in rates, makes it possible to quantify the potential impacts on the Income Statement, identifying the relative limits on two levels: soft limits and hard limits. The activities carried out in 2024 confirmed the effectiveness of this indicator.

With particular reference to the cost of funding for SIMEST, the year saw a general stability across the main average maturity ranges (e.g. the value of the 5-year internal transfer rate (ITR) decreased slightly from 2.06% in December 2023 to 1.98% in December 2024).

With regard to public funds, and with particular reference to the operations of the Law 295/73 Fund, in March 2024, the Subsidies Committee, on the proposal of the SIMEST manager, approved the interest rate and exchange rate risk monitoring framework, which provides for the quantification of risks in line with prudential regulations (through the estimation of the present value of lifetime commitments under stress assumptions), accompanied by a scenario analysis of cash flows, including stress scenarios, over different time horizons and an early warning system on potential developments in the risks assumed. The monitoring activities carried out during the year confirmed the effectiveness of the indicators identified and the warning thresholds introduced.

Reputational, fraud and money laundering risk

The framework for the control of reputational, fraud and money laundering risks includes safeguards — both in the ex-ante and ex-post phases — throughout the process of granting, managing and reporting operations involving both own funds and public funds.
This framework has been subject to external and independent assessments by leading consulting firms, which have confirmed its adequacy. In this context, monitoring activities on the Law 394/81 Fund (including operations under the NRRP) continued, alongside further strengthening of the control framework. This was achieved through the gradual standardisation of the process, the automation of controls and the creation of an operational workflow between first- and second-level functions. These developments are expected to bring increasing benefits in terms of timeliness, traceability, consistency and replicability of controls.

Final considerations on the macroeconomic scenario

In light of the above, in line with ESMA 2024 guidelines, considerations relating to the macroeconomic environment are factored in and included, through assessment models and metrics, in the determination of Expected Credit Loss, fair value measurements, and the management of financial and other risks.
Therefore, these areas, assessed as material on the basis of the characteristics of SIMEST's business model, are adequately covered.

12. CLIMATE-RELATED MATTER DISCLOSURE

Disclosure on risks, significant uncertainties and other potential impacts of climate change

Emerging risk factors linked to the transition towards a sustainable economy — though not directly attributable to more traditional financial risks — can positively or negatively affect the economic and financial performance and solvency of counterparties, with impacts on the environment as well as the broader community, through specific transmission channels.

In this context, SIMEST, in line with the Group's approach and the 2023-2025 Strategic Plan, has continued developing an internal operational model increasingly aimed at generating positive impact, including through support to counterparties in adopting sustainable business models. In 2024, SIMEST expanded its analysis of counterparties' ESG maturity and ESG risks within the evaluation processes for financeable transactions, continuing the approach initiated in 2023 and broadening the scope beyond traditional variables linked to economic-financial sustainability and counterparty reputation (such as ratings, concentration, reputational risks, etc.).

With regard to ESG risks, during 2024 SIMEST also continued the initiatives set out in its Strategic Plan on sustainability and impact, launching evaluations and assessments of ESG risks in accordance with the Group's policy "ESG risk assessment and management". Following the entry into force of the aforementioned policy, the controls were expanded to include the appointment of the ESG Risk contact person (i.e. Head of Risk Management) and the inclusion in the opinions of the Evaluation Risk Committee of initial assessments with particular reference to the environmental component. Furthermore, SIMEST has carried out a mapping of the main ESG risks to which the portfolio of equity loans is exposed, participating, among other things, in the double materiality analysis conducted by the Parent Company.

In this context, a dedicated project was launched to define and implement a qualitative-quantitative ESG risk model that assigns an ESG risk score to equity loan transactions. This score reflects the overall risk level across the environmental, social, and governance components, with a higher weighting applied to the riskiest component, in line with policy provisions. The considerations and results of the analyses carried out on counterparty positioning have been progressively incorporated into the evaluations undertaken by the Risk Evaluation Committee – a technical-advisory body that supports the decision-making body.

Furthermore, the integration of ESG KPIs into the contractual framework of equity investment operations continued. These KPIs are linked to specific targets negotiated with the counterparty, and achieving them results in a pricing benefit for the transaction. Over the course of the year, the ESG KPIs proposed during negotiations were expanded to cover additional areas. These areas, while aligned with the Group's strategic sectoral guidelines, also ensure consistency with the new European sustainability reporting standards (EFRAG-ESRS), thereby facilitating and harmonising the counterparties' own reporting. Additionally, the KPIs now include domains covered by the EU Taxonomy, encouraging counterparties to pursue taxonomy-aligned objectives.

13 SIGNIFICANT EVENTS AFTER THE REPORTING DATE

No significant events occurred after 31 December 2024.

14. BUSINESS OUTLOOK

After an estimated growth of 0.5% in 2024, Italy's economic activity is expected to accelerate over the current year and the following two-year period, with an annual expansion of around 1%. This economic momentum is anticipated to regain strength, driven by consumption and exports, supported by the recovery in disposable income and global trade. However, the macroeconomic outlook and business sentiment regarding both the general economic situation and prospects for own operations remain influenced by elevated risks, primarily stemming from ongoing geopolitical tensions and uncertainty surrounding international trade policies.

In 2025, implementation of the new 2025-2027 Strategic Plan will begin, in line with the guidelines outlined in the CDP Group's Strategic Plan.
With regard to innovation in the offering of tools to enhance the competitiveness of enterprises — particularly SMEs — SIMEST will expand the offering under the Law 394/81 Fund and the Integrated Promotion Fund, both managed on behalf of MAECI, by introducing new instruments aimed at improving the competitiveness of Italian supply chains in Latin America. This builds on the initiatives already developed in 2024 under the "Africa Measure", reaffirming SIMEST's commitment to supporting Italian SMEs with strategic interests abroad. Through this new measure, the standard offering will also be renewed, with the inclusion of new eligible expenses and tailored incentives. Operations in 2025 will also include enhanced support for the digital and ecological transitions, with a view to incentivising investment by energy-intensive Italian businesses or those pursuing energy efficiency strategies.

Support for supply chain enterprises will be expanded through the involvement of new industrial champions, with the goal of strengthening the international profile of Italian SMEs through investments in training, technological and digital innovation, and sustainability.

With regard to equity investments, the appeal of this instrument for overseas investment projects remains strong, supported by the strengthened commercial synergies with the Parent Company Cassa Depositi e Prestiti and systemic cooperation with financial operators. Through public venture capital resources, support for the start-up and innovative SME segment continues, in collaboration with CDP Venture Capital. With a view to further enhancing the global competitiveness of Italian companies, in 2025 SIMEST will broaden the scope of public funds under its management to support both the growth in scale of Italian SMEs and the development of infrastructure projects.

As for export support instruments under the 295 Fund, the digitalisation of supplier credit — carried out in 2024 to increase usability and strengthen operational risk controls — will allow companies, particularly SMEs and Mid-Caps, to access more easily this essential tool for maintaining the competitiveness of Italian manufacturing sectors. The digitalisation process will continue in 2025, with new features for managing buyer credit transactions becoming available on the SIMEST portal.

Additionally, 2025 will see the launch of targeted systemic cooperation initiatives aimed at providing SMEs with the tools necessary to compete globally, not only through financial support but also by developing key competencies. In this regard, alongside the opening of new offices abroad in strategically important locations for Made in Italy — under the coordination of MAECI and in collaboration with CDP — the following initiatives are planned: i) the launch of training programmes for SMEs, especially those based in Southern Italy, and those led by women and young entrepreneurs; ii) the expansion of international matchmaking activities, also through synergy with the CDP Group's business matching platform; iii) and the development of support structures to accompany Partner companies through international transition phases, as well as the development of Transition Plans.

15. ADDITIONAL INFORMATION PURSUANT TO ARTICLE 2428 OF THE ITALIAN CIVIL CODE

With reference to the further information required by Article 2428 of the Italian Civil Code, please note that the Company: i) did not engage in research and development activities; ii) does not hold, and did not acquire and/or dispose of during the financial year, treasury shares and/or shares/quotas of parent companies, either directly or through trust companies or other intermediaries. The Company does not hold any derivative or structured financial instruments for managing financial risk.

for the Board of Directors
the Chairperson
Pasquale Salzano

INNOVAWAY

WITH US IN 2024

INNOVAWAY'S TECHNOLOGICAL SOLUTIONS IN BULGARIA

Thanks to a "Market Entry" soft loan, we supported the Neapolitan company - a leader in the provision of advanced technological solutions and ICT services - in opening its new office in Bulgaria, thereby enhancing its international presence and strengthening its delivery model in support of digital transformation, ensuring continuity and operational efficiency for its customers.

FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

FORM AND CONTENT OF THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

The Financial Statements as at 31 December 2024 have been prepared in accordance with applicable regulations and consist of:
- Balance sheet
- Income statement
- Statement of comprehensive income
- Statement of changes in equity
- Statement of cash flows
- Notes to the Financial Statements

Contents of the Notes to the Financial Statements:

INTRODUCTION
- Information about the Company
- General preparation principles:
  - I. Declaration of compliance with International Financial Reporting Standards
  - II. Basis of preparation
  - III. Other issues
  - IV. Use of estimates and assumptions

MAIN ACCOUNTING POLICIES
- Cash and cash equivalents
- Financial assets measured at fair value through profit or loss
- Financial assets measured at fair value through other comprehensive income
- Financial assets measured at amortised cost
- Property, plant and equipment
- Intangible assets
- Financial liabilities
- Employee severance indemnity
- Provisions for risks and charges
- Income taxes

INFORMATION ON THE BALANCE SHEET
INFORMATION ON THE INCOME STATEMENT
INFORMATION ON RISKS AND HEDGING POLICIES
TRANSACTIONS WITH RELATED PARTIES
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PROPOSAL FOR ALLOCATION OF THE NET RESULT FOR THE YEAR
FINANCIAL HIGHLIGHTS OF THE COMPANY PERFORMING MANAGEMENT AND COORDINATION

FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

Balance sheet

Asset items (euro)	**Note**	**31/12/2024**	**31/12/2023**
Cash and cash equivalents	A.1	31,984	59,729
Financial assets measured at fair value through other comprehensive income	A.2	5,164,569	5,164,569
Financial assets mandatorily measured at fair value through profit or loss:	A.3	34,335,728	59,191,388
of which: Receivables for equity investments		*34,313,510*	*59,169,170*
Financial assets measured at amortised cost:	A.4	450,504,816	415,333,699
of which: Receivables for equity investments		*447,518,028*	*411,918,908*
of which: Other financial receivables		*2,986,788*	*3,414,791*
Property, plant and equipment	A.5	9,712,360	11,187,076
of which: right of use on buildings		*8,931,056*	*10,279,283*
Intangible assets	A.6	3,075,904	2,553,589
Tax assets	A.7	2,271,496	1,231,630
a) current		*794,189*	-
b) deferred		*1,477,306*	*1,231,630*
Other assets	A.8	33,143,592	22,619,335
Total Assets		**538,240,449**	**517,341,014**

Liabilities and equity items (euro)	**Note**	**31/12/2024**	**31/12/2023**
Loans payable measured at amortised cost	P.1	190,563,540	179,174,005
of which: payables relating to rights of use on buildings		*9,183,632*	*10,372,379*
Other liabilities	P.2	22,446,129	18,182,807
Employee severance indemnity	P.3	808,863	1,400,280
Tax liabilities	P.4	-	585,525
a) current		-	*585,525*
b) deferred		-	-
Provisions for risks and charges	P.5	3,566,088	4,872,390
c) other provisions		*3,566,088*	*4,872,390*
Share capital	P.6	164,646,232	164,646,232
Share premium reserve	P.7	1,735,551	1,735,551
Reserves	P.8	146,734,012	143,233,261
- of which: FTA Reserve		*63,526,684*	*63,526,684*
- of which: IFRS 9 FTA Reserve		*9,454,490*	*9,454,490*
- of which: Retained earnings/(losses carried forward)		*(15,226,932)*	*(18,562,347)*
Net income (loss) for the year (+/-)	P.9	7,740,035	3,510,963
Total Liabilities and Equity		**538,240,449**	**517,341,014**

Income statement

Items (euro)	**Note**	**31/12/2024**	**31/12/2023**
Income from equity investments	C.1	27,553,173	26,957,269
Interest expense and similar expense	C.2	(6,788,856)	(5,718,187)
Commission income	C.3	57,514,365	47,331,623
Net profit (loss) on assets mandatorily measured at fair value through profit or loss	C.4	2,410,778	(3,865,516)
Other financial income	C.5	43,213	108,964
Gross income		**80,732,674**	**64,814,153**
Net adjustments/recoveries for credit risk on assets measured at amortised cost	C.6	(12,038,694)	(5,500,080)
Administrative expenses:	C.7	(54,039,098)	(42,240,076)
a) staff costs		*(28,561,472)*	*(21,338,340)*
b) other administrative expenses		*(25,477,626)*	*(20,901,736)*
Other operating income (costs)	C.8	316,422	-
Operating result		**14,971,303**	**17,073,996**
Net allocations to provisions for risks and charges	C.9	(856,334)	(4,630,426)
Net adjustments/recoveries on property, plant and equipment	C.10	(1,691,141)	(1,656,302)
Net adjustments/recoveries on intangible assets	C.11	(2,782,380)	(1,875,688)
Income (Loss) before tax		**9,641,448**	**8,911,580**
Income tax for the year	C.12	(1,901,413)	(5,400,616)
Income (loss) for the year		**7,740,035**	**3,510,963**

Statement of changes in equity: current financial year

(note P.6, P.7 and P.8)

(euro)	Equity as at 31/12/2023	Allocation of net income (loss) for previous year: Reserves	Allocation of net income (loss) for previous year: Dividends and other allocations	Changes for the year: Variations of reserves	Changes for the year, Equity transactions: Issue of new shares	Changes for the year, Equity transactions: Change in equity instruments	Changes for the year, Equity transactions: Derivatives on own shares	Changes for the year, Equity transactions: *Stock option*	Comprehensive income financial year 2024	Equity as at 31/12/2024
Share capital:										
a) ordinary shares	**164,646,232**									**164,646,232**
b) preference shares										
Share premium reserve	**1,735,551**									**1,735,551**
Reserves:										
a) income	**156,821,196**	175,548								**156,996,744**
b) other	**5,164,569**									**5,164,569**
c) Retained earnings (losses carried forward)	**(18,562,347)**	3,335,415								**(15,226,932)**
Revaluation reserves										
a) available for sale										
b) cash flow hedges										
c) other reserves	**(190,159)**								(10,211)	**(200,370)**
Equity instruments										
Treasury shares										
Income (loss) for the year	**3,510,963**	(3,510,963)							7,740,035	**7,740,035**
Total equity	**313,126,007**	**-**							**7,729,824**	**320,855,830**

Statement of changes in equity: previous financial year

(note P.6, P.7 and P.8)

(euro)	Equity as at 31/12/2022	Allocation of net income (loss) for previous year: Reserves	Allocation of net income (loss) for previous year: Dividends and other allocations	Changes for the year: Variations of reserves	Changes for the year, Equity transactions: Issue of new shares	Changes for the year, Equity transactions: Change in equity instruments	Changes for the year, Equity transactions: Derivatives on own shares	Changes for the year, Equity transactions: *Stock option*	Comprehensive income financial year 2023	Equity as at 31/12/2023
Share capital:										
a) ordinary shares	**164,646,232**									**164,646,232**
b) preference shares										
Share premium reserve	**1,735,551**									**1,735,551**
Reserves:										
a) income	**156,795,464**	25,732								**156,821,196**
b) other	**5,164,569**									**5,164,569**
c) Retained earnings (losses carried forward)	**(19,041,989)**	479,642								**(18,562,347)**
Revaluation reserves										
a) available for sale										
b) cash flow hedges										
c) other reserves	**(200,890)**								10,731	**(190,159)**
Equity instruments										
Treasury shares										
Income (loss) for the year	**505,374**	(505,374)							3,510,963	**3,510,963**
Total equity	**309,604,313**	**(0)**							**3,521,694**	**313,126,007**

Statement of comprehensive income

Items (euro)	31/12/2024	31/12/2023
Income (Loss) for the year	**7,740,035**	**3,510,963**
Other comprehensive income net of taxes without reversal to income statement		
Cash flow hedges		
Non-current assets held for sale		
Defined benefit plans	(10,211)	10,731
Total other comprehensive income net of taxes	**(10,211)**	**10,731**
Comprehensive income	**7,729,824**	**3,521,694**

Statement of cash flows

(euro)	31/12/2024	31/12/2023
A. OPERATING ACTIVITIES		
1. Operations	**20,107,451**	**20,190,483**
- Net income for the year (+/-)	7,740,035	3,510,963
- Net profit (loss) on financial assets mandatorily measured at fair value through profit or loss (Revenues)/Costs	(2,410,778)	3,865,517
- Income and commissions not yet collected (-)	173,910	889,307
- Net adjustments/recoveries for credit risk on assets measured at amortised cost (+/-)	12,038,694	5,500,899
- Net adjustments/recoveries on property, plant and equipment and intangible assets (+/-)	4,473,521	3,531,991
- Net provisions for risks and charges and other costs/revenues (+/-)	(1,907,931)	2,891,806
- Other adjustments (+/-)		
2. Cash generated by/used in financial assets	**(31,681,406)**	**25,869,606**
- Financial assets measured at fair value and at amortised cost	(20,546,004)	27,199,184
of which: Receivables for equity investments	*(20,546,004)*	*27,199,184*
- Other current assets	(11,135,402)	(1,329,578)
3. Cash generated by/used in financial liabilities	**3,677,797**	**2,089,741**
- Other current liabilities	3,677,797	2,089,741
Cash generated by/used in operating activities	**-7,896,158**	**48,149,830**
B. INVESTING ACTIVITIES		
1. Cash generated by	**106,807.73**	1,676,400.00
- Sales of property, plant and equipment	106,808	1,676,400.00
- Sale of intangible assets	-	-
2. Cash used in	**(3,627,928)**	**(13,973,721)**
- Purchase of property, plant and equipment	(323,233)	(11,460,538)
- Purchase of intangible assets	(3,304,695)	(2,513,183)
Cash generated by/used in investing activities	**(3,521,120)**	**(12,297,321)**
C. FINANCING ACTIVITIES		
- Issue/Purchase of equity instruments (payment/repayment of share capital and reserves)	-	-
- Dividend distribution and other allocations	-	-
Cash generated by/used in financing activities	-	**-**
Cash generated/used during the year	**-11,417,278**	**35,852,509**
RECONCILIATION		
Opening cash and cash equivalents/(financial payables)	(179,114,277)	(214,966,785)
Total cash generated/used during the year	-11,417,278	35,852,509
Closing cash and cash equivalents/(financial payables)	**(190,531,556)**	**(179,114,277)**

For the Board of Directors
The Chairperson
Pasquale Salzano

NOTES TO THE FINANCIAL STATEMENTS

INTRODUCTION

Information about the Company

SIMEST SpA (hereinafter also the "Company" or "SIMEST") is a company incorporated and domiciled in Rome. The Company has its registered office in Rome, Corso Vittorio Emanuele II, 323. The Company is subject to the management and coordination of Cassa Depositi e Prestiti SpA (hereinafter also "CDP SpA" or "CDP"). The company Deloitte & Touche SpA is appointed to audit the accounts. For information about the Company please refer to the "Report on operations" section.

General preparation principles

I. Declaration of compliance with International Financial Reporting Standards

The financial statements of SIMEST have been prepared in accordance with the International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRS) endorsed by the European Commission as established by Regulation (EC) no. 1606/2002.
Starting from 2015, SIMEST has exercised the option provided for by Italian Legislative Decree no. 38 of 28 January 2005 (IAS Decree), as amended by Italian Decree Law no. 91/2014 (Competitiveness Decree), which extended the option to prepare financial statements in accordance with the international accounting standards (IAS/IFRS) to all companies, other than those that must prepare their financial statements in accordance with the IAS/IFRS or are permitted to prepare condensed financial statements pursuant to Article 2435-bis of the Italian Civil Code (Article 4, paragraph 6 of Italian Legislative Decree no. 38/2005).

II. Basis of preparation

SIMEST's financial statements consist of the Balance Sheet, the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows, and these Notes to the Financial Statements. They are also accompanied by the Report on Operations that accompanies the Financial Statements.
The financial statements are clearly prepared and give a true and fair view of the financial position, financial performance and results of operations for the year and are consistent with the company's accounting records, which fully reflect the transactions that occurred during the year.
The financial statements and accompanying Notes show the figures for the reporting period, as well as the comparative figures as at 31 December 2023.
The financial statements use the euro as the reporting currency. The financial statements are expressed in euro, whereas the amounts shown in these Notes to the Financial Statements are expressed in thousands of euro, unless otherwise stated.

Going concern

These financial statements have been prepared on a going concern basis. In accordance with IAS 1 requirements regarding this assumption, the Directors have assessed the Company's ability to continue operating as a going concern over the next 12 months. This assessment considered all available information over a medium-term horizon, including the economic and financial outlook set out in the 2025-2027 Strategic Plan. Based on this analysis and the results achieved in previous financial years, the directors have a reasonable expectation that the Company will continue to operate as a going concern for the foreseeable future. Consequently, the Financial Statements have been prepared on this basis.

III. Other issues

Standards in force since 2024 and new standards not yet in force

International accounting standards approved as at 31 December 2024 and in force from 2024

The Regulations of the European Commission that have endorsed new international accounting standards, or amendments to already applicable accounting standards, whose application has become mandatory starting from 1 January 2024, are reported below:

- Commission Regulation (EU) 2023/2579 of 20 November 2023 amending Regulation (EU) 2023/1803 as regards International Financial Reporting Standard (IFRS) 16;
- Commission Regulation (EU) 2023/2822 of 19 December 2023 amending Regulation (EU) 2023/1803 as regards International Accounting Standard (IAS) 1;
- Commission Regulation (EU) 2024/1317 of 15 May 2024 amending Regulation (EU) 2023/1803 as regards International Accounting Standard 7 and International Financial Reporting Standard 7.

The application of the aforementioned changes, where applicable and due to their nature, did not have a significant impact on this financial report.

New accounting standards and interpretations already issued and endorsed by the European Union but not yet in force (effective date as from the financial years beginning 1 January 2025)

Listed below are the new standards and interpretations already issued and endorsed, but not yet in force and therefore not applicable to the preparation of the financial statements as at 31 December 2024:

- Commission Regulation (EU) 2024/2862 of 12 November 2024 amending Regulation (EC) 2023/1803 as regards International Accounting Standard (IAS) 21.

The amendments will enter into force from 1 January 2025 and the assessment of any impacts that their application could have on the financial statements is underway.

Accounting standards, amendments and interpretations not yet endorsed by the European Union as at 31 December 2024

Certain accounting standards, interpretations and amendments had been issued by the IASB but had not yet been endorsed by the European Union at the date of preparation of this annex:

- IFRS 19 "Subsidiaries without Public Accountability: Disclosures 1" (issued on 9 April 2023);
- IFRS 18 "Presentation and Disclosure in Financial Statements" (issued on 9 April 2024);
- *Amendments* to IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments" (issued on 30 May 2024).

The amendments have not yet entered into force and the assessment of any impact that their application could have on the financial statements is currently underway.
The complete list of international accounting standards and amendments published by the IASB, with indication of whether or not they are adopted by the European Union, is available on the EFRAG website at the following address: https://www.efrag.org/en/financial-reporting/endorsement-status
Furthermore, with reference to the joint communication issued by the Bank of Italy and Consob on 6 March 2025 regarding "Crypto assets and disclosure in financial statements", it should be noted that during 2024, the Company did not carry out any transactions involving cryptocurrencies or crypto assets.

IV. Use of estimates and assumptions
Accounting estimates

The application of International Financial Reporting Standards in preparing the financial statements requires the Company to make accounting estimates, for certain balance sheet items, that are considered reasonable and realistic according to the information available at the time the estimate is made. Such estimates impact the carrying amount of the assets and liabilities, and the disclosures on contingent assets and liabilities at the reporting date, as well as the amounts reported for revenues and costs for the reporting period. Changes in the conditions underlying the judgements, assumptions and estimates used could also have an impact on future results.
The main items subject to estimation as at the reporting date relate to financial assets connected with equity investment receivables, in order to assess whether there is any indication that the value of such assets may have been impaired. Other areas involving estimates include depreciation and amortisation, provisions for risks and charges, and deferred tax assets, which are recognised based on expected future taxable income.

Fair value measurement

The fair value is the amount for which an asset (or liability) could be exchanged in a hypothetical transaction between independent counterparties that have a reasonable degree of knowledge of market conditions and the relevant facts related to the item being traded.

In the definition of fair value, a key assumption is that an entity is fully operational and does not have the urgent need to liquidate or significantly reduce a position. Among other factors, the fair value of an instrument reflects its credit quality as it incorporates the default risk associated with the counterparty or the issuer.

For financial instruments, as required by IFRS 13, fair value is determined based on the quality of the sources of the inputs used, using one of three methods:
- in the case of instruments quoted on active markets, prices on financial markets are used (Level 1);
- in the case of instruments not quoted on active markets, recourse is made, where possible, to valuation techniques that use observable market inputs other than quoted prices for the financial instrument but connected with its fair value by non-arbitrage relationships (Level 2);
- in the other cases, recourse is made to internal valuation techniques that also use unobservable market inputs that are therefore inevitably subjective to some degree (Level 3).

A market is considered active if prices are readily and regularly available on regulated markets, organised trading facilities, brokers, intermediaries, pricing services, and if those prices can reasonably be considered to be representative of actual and regular market transactions executed close to the valuation date.
In the case of financial instruments not listed on active markets, the Level 2 valuation requires the use of valuation models that process market parameters at different levels of complexity. For example, valuation techniques may involve, in addition to interpolations and extrapolations, the specification of stochastic processes that represent market dynamics and the use of simulations, or other numerical techniques, to determine the fair value of the instruments being measured.
In choosing the models to be applied for Level 2 valuations, the Company takes into account the following considerations:
- simpler valuation techniques are preferred to more complex techniques, all other conditions being equal and as long as they represent all of the relevant characteristics of the product, ensuring that they are reasonably in line with the practices and results of other sector operators;
- valuation techniques are applied consistently over time to consistent categories of instruments, unless objective grounds for replacement emerge;
- all other conditions being equal, preference is given to standard models whose mathematical structure and implementing procedures are familiar to practitioners and implemented in the Company’s systems.

The market parameters used as inputs for Level 2 valuations are selected on the basis of non-arbitrage relationships or comparative relationships that define the fair value of the financial instrument being measured as the relative fair value compared with that of financial instruments listed on active markets. In some cases, in determining the fair value it is necessary to use valuation techniques that call for inputs that cannot be drawn directly from observable market variables, statistical or "expert-based" estimates by those carrying out the valuation (Level 3).
Also in the case of Level 3 valuations, valuation techniques are applied consistently over time to consistent categories of instruments, unless objective grounds for replacement emerge. Similarly, parameters that cannot be drawn directly from observable market variables are applied consistently over time.

Methodologies for calculating Expected Credit Losses (ECL)

For the valuation of Expected Credit Losses, SIMEST uses the methodology developed internally by the Parent Company, which makes provision for:
- a robust estimate of the probability of default Through the Cycle, which incorporates not only historical information, but forward-looking elements aimed at ensuring the adequacy of the estimates even in periods of serious crisis, over the entire life of the financial instruments;
- an internal model for estimating the cyclical component of probabilities of default, aimed at producing forward-looking estimates of Point in Time parameters.

The model for estimating the cyclical component incorporates the main macroeconomic drivers including the trend in GDP and the employment rate, with reference to the Eurozone and the USA. The quantitative model implemented internally has not undergone any changes, in particular without applying corrective measures on a sector basis, since it was considered that any alternative methodologies do not offer a greater degree of reliability in the current phase, instead introducing, at least potentially, greater risks of arbitrariness. Although the effects of the changing economic context are hardly visible up until now on the counterparties in the portfolio, the Parent Company saw fit to maintain a management overlay (introduced with reference to the 2021 financial statements) in quantifying the ECL, aimed at offsetting the effect of decreasing the Point-in-Time default probabilities that otherwise would be the result of the trend recorded by the macroeconomic and credit indicators observed in the model. The application of this overlay, consistent with the recommendations of the Supervisory Authority in the banking sector aimed at limiting excessive volatility in the quantification of reserves, is understood as referring to the contingent situation: the Parent Company will assess the evolution of the economic framework in order to remove it in the event of a return to a situation characterised by minor anomalies.

Main accounting policies

The following pages provide a description of the accounting policies adopted in preparing the financial statements of SIMEST as at 31 December 2024.

Cash and cash equivalents

Cash and cash equivalents are measured at fair value. Liquidity is represented by cash on hand at the Company and at banks with yields in line with market conditions. The availability is increased by the interest accrued on the available funds, even if not yet paid.

Financial assets measured at fair value through profit or loss

This item includes all financial assets that are not classified in the portfolio of financial assets measured at fair value through other comprehensive income, or the portfolio of financial assets measured at amortised cost.

In particular, this item includes:
- financial assets held for trading, represented by debt and equity securities and the positive value of derivative contracts held for trading;
- financial assets mandatorily measured at fair value, represented by the financial assets which do not meet the requirements for measurement at amortised cost or at fair value through other comprehensive income. These are financial assets whose contractual terms do not provide solely for payments of principal and interest on the principal amount outstanding (i.e., those financial assets that do not pass the "SPPI test"), or financial assets not held within a business model whose objective is to hold assets in order to collect contractual cash flows (the "Hold to Collect" business model), or whose objective is achieved by both collecting contractual cash flows and selling financial assets (the "Hold to Collect and Sell" business model);
- financial assets designated at fair value, i.e., those financial assets defined as such at the time of initial recognition and where the conditions are met. In such a case, at initial recognition an entity has the option to irrevocably designate a financial asset as measured at fair value through profit or loss if, and only if, this will eliminate or significantly reduce a recognition inconsistency.

In SIMEST's financial statements, this amount includes receivables from Partner companies resulting from investment transactions in investees which, under IFRS 9, do not pass the SPPI test (solely payments of principal and interest on the principal amount outstanding) and therefore must be measured at fair value.

In particular, the relationships between SIMEST, its Partner companies and its investees are considered financial assets ("linked transactions") whereby SIMEST is entitled to receive a contractually defined amount of money from the Partner companies which is not less than the amount disbursed, thereby substantiating the relationship with the Partner within the context of the linked transaction. These relationships, regardless of their legal form, are classified as loans and receivables.

Financial assets measured at fair value through other comprehensive income

This item includes financial assets that meet both of the conditions listed below:
- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets ("Hold to Collect and Sell" business model);
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (i.e. those financial assets that pass the "SPPI test").

The item also includes equity instruments, not held for trading purposes, for which the option to be designated at fair value through other comprehensive income was exercised at the time of initial recognition.
Therefore, this item includes all financial assets (debt securities, equity securities and loans) classified in the portfolio measured at fair value through other comprehensive income.

Financial assets measured at amortised cost

This item includes debt securities and loans allocated to the portfolio measured at amortised cost.
Financial assets that meet both of the following conditions are therefore included:
- *the financial asset is held within a business model whose objective is achieved by collecting contractual cash flows ("Hold to Collect" business model);*
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (i.e. those financial assets that pass the "SPPI test").

In SIMEST's financial statements, this amount includes receivables from Partner companies resulting from investment transactions in investees which, having passed the SPPI test, are measured at amortised cost.
The relationships between SIMEST, its Partner companies and its investees are considered financial assets ("linked transactions") whereby SIMEST is entitled to receive a contractually defined amount of money from the Partner companies which is not less than the amount disbursed, thereby substantiating the relationship with the Partner within the context of the linked transaction. These relationships, regardless of their legal form, are classified as loans and receivables.

In particular, IFRS 9 provides that if the contractual cash flows involve characteristics other than the payment of principal and interest on the notional amount, the SPPI test is deemed to have been passed if these additional characteristics only have a de minimis effect, i.e. if this effect may be considered "insignificant" at each reporting date and, cumulatively over the life of the instrument, as no impact on the classification of that financial instrument.
With regard to SIMEST, the agreements with the Partners establish a floor on the exit price of the equity investment equal to the purchase price and a cap on the realisable capital gain. The threshold value for applying the de minimis concept was determined based on an in-depth analysis. Consequently, a portion of the portfolio relating to receivables for equity investments held by SIMEST which falls within this threshold is classified and measured at amortised cost, in accordance with the characteristics of the instrument.

Property, plant and equipment

"Property, plant and equipment" are governed by IAS 16. The item includes operating assets intended for long-term use in the exercise of business activities. Property, plant and equipment are recognised at purchase cost, including incidental expenses. The financial statements report the carrying value of property, plant and equipment net of depreciation, which is calculated using the rates that are deemed to reflect the remaining useful economic lives of each asset. At each reporting date, an assessment is carried out to determine whether there is any indication that property, plant and equipment may have suffered an impairment loss. To this end, both internal and external sources of information are considered. Newly acquired assets are depreciated as from the period in which they enter service. Capital assets by purpose or by nature are depreciated each year on a straight-line basis in relation to their residual possibility of use. Maintenance and repair costs that do not result in an increase in the utility and/or useful life of the assets are charged to the Income Statement for the year.

ASSET CLASS	Rate
Furniture	10% - 25%
Electronic equipment	10% - 25%

"Property, plant and equipment represented by the right of use" (RoU) of assets under lease agreements are recognised in accordance with IFRS 16 by the lessee on the effective date of the agreement, i.e. the date on which the asset is made available to the lessee and is initially measured at cost. Against the asset consisting of the right of use, the lessee recognises a liability corresponding to the present value of the lease payments due. The discount rate used is the implicit interest rate, if determinable; otherwise the lessee's incremental borrowing rate is used. In the case of operating sub-leases, the sub-lessor recognises the right of use as property, plant and equipment held for investment purposes.

The depreciation of the right of use is based on the straight-line method over the lease term, for which both the non-cancellable contractual period and renewal options are taken into account if the lessee is reasonably certain to exercise them.

During the term of the lease, the carrying amount of the right of use shall be adjusted in the event of a change in the lease term or lease payments, as well as for changes in the lease agreement that increase or decrease the subject of the lease.

The carrying amount of an item of property, plant and equipment is removed from the balance sheet when it is disposed of, or when no future economic benefits are expected to arise from its use or disposal.

Intangible assets

"Intangible assets" are governed by IAS 38. Intangible assets are recorded at acquisition or production cost, including ancillary costs, and amortised over their expected useful life, which is reviewed at the end of each financial year to verify the adequacy of the estimate. An intangible asset is only recognised in the asset section of the balance sheet under the following conditions:

- the company can control the future economic benefits generated by the asset;
- future economic benefits from the asset are expected to flow to the entity;
- the cost of the asset can be measured reliably.

Intangible assets are therefore derecognised from the Balance Sheet if no future profits are expected or at the time of disposal. Costs incurred for the purchase and production of software by third parties are amortised on a straight-line basis, in relation to their residual possibility of use, which does not exceed three years.

Current and deferred taxes

Tax assets and liabilities are recognised in the balance sheet respectively under the asset item "Tax assets" and the liability item "Tax liabilities". The accounting entries related to current and deferred taxes include: i) current tax assets, consisting of tax paid in advance and receivables for withholding taxes incurred; ii) current tax liabilities, consisting of tax payables to be settled according to applicable tax regulations; iii) deferred tax assets, consisting of the amounts of tax recoverable in future years in view of deductible temporary differences; and iv) deferred tax liabilities, consisting of payables for tax to be paid in future periods as a result of taxable temporary differences. Current taxes, consisting of corporate income tax (IRES) and regional tax on business activities (IRAP), are calculated on the basis of a realistic estimate of the Company's taxable income and are determined on the basis of the respective rates in force.

Deferred tax assets and liabilities are recognised according to the tax rate that, under the legislation in force at the reporting date, is expected to apply in the year when the asset is realised or the liability is settled, and are periodically reviewed to take account of any changes in legislation. The term deferred tax refers, in particular, to the recognition, in terms of tax, of the temporary differences between the value assigned to an asset or liability for statutory accounting purposes and the corresponding value for tax purposes. Deferred taxes are recognised: i) under tax assets, if they refer to deductible temporary differences, meaning the differences between statutory and tax values that in future years will give rise to deductible amounts, to the extent that there is a probability of their recovery; ii) in tax liabilities, where they refer to temporary taxable differences representing liabilities as they are related to accounting items that will become taxable in future tax periods.

"Deferred" taxation, if relating to transactions affecting Equity, is recognised in Equity.

With regard to IRES, following the adoption of the "national tax consolidation" – governed by Articles 117-129 of the TUIR introduced into tax legislation by Italian Legislative Decree no. 344/2003 – by the CDP Group and in compliance with the provisions of both the Consolidation Regulation and the prevailing doctrine and practice on the subject, the Company determined its own "potential" charge, recognising as a contra-item a payable to the consolidating Company which, in accordance with the new provision, is the only one obliged to settle the relationship with the Tax Authorities.

Italian Decree Law no. 209 of 27 December 2023 ("Pillar II legislation" or "global minimum tax")[30] introduced an effective minimum taxation regime for national and multinational Groups at the rate of 15% for each jurisdiction in which they are located, also providing for the application of a supplementary tax in cases where the effective tax rate per country, with the adjustments envisaged by the application rules, is lower than the aforementioned minimum taxation rate. During the year, the CDP Group, with the support of qualified advisors, implemented the project to adopt the "Pillar II" regulations aimed at: i) resolving the gaps that emerged during the preliminary project start-up activities carried out in 2023; ii) defining a model for calculating the Transitional Safe Harbour and the additional taxes due; iii) automating compliance through an application; iv) estimating the impact of the relevant regulations on the financial statement deadlines and fulfilment of the related obligations. With reference to 31 December 2024, the CDP Group updated the Group's "Pillar II" scope at the reporting date. The estimate of the supplementary tax due was carried out with reference to jurisdictions with taxation below 15%, identified by applying the simplifications envisaged by the TSH regulations to the relevant scope. The CDP Group comprises 395 entities located in 58 jurisdictions with an effective tax rate generally exceeding 15%. Approximately ten smaller entities located in six jurisdictions reported an effective tax rate of less than 15% and an estimated supplementary tax at CDP Group level that was not significant. At present, SIMEST SpA is not liable for any supplementary domestic tax.

Employee severance indemnity

"Employee severance indemnity" covers the entitlement accrued by employees at the end of the financial year, as provided by law (Article 2120 of the Italian Civil Code) and applicable employment agreements. In accordance with IAS 19, the Employee severance indemnity is a "Defined benefit plan" and, therefore, at the reporting date the liability is represented by the present value of expected future payments due to employees for the benefits accrued in the current year, and the present value of future payments deriving from the amounts accrued in previous years.

30 During 2024, the "Pillar II" regulation was supplemented, inter alia, by: *i)* the Ministerial Decree of 20 May 2024, concerning the regulation of simplified transitional regimes ("TSH regulation"), on the basis of which – for the three-year period 2024/2026 – any supplementary tax due in a given jurisdiction is assumed to be zero if the companies located there meet at least one of the three requirements envisaged by the regulation and *ii)* the Ministerial Decree of 1 July 2024 containing the implementing provisions for the introduction of the qualified domestic minimum top-up tax. Furthermore, to date, additional implementing ministerial decrees (Ministerial Decrees of 11 October, 20 and 27 December) have been issued to provide clarifications and implementing provisions. At the same time, the OECD also published further Administrative Guidance (June 2024 and January 2025) containing some clarifications, together with a list of countries with transitional status of qualified legislation for the purposes of applying the tax.

Provisions for risks and charges

The "Provisions for risks and charges" consist of the allowances set aside to cover specific types of liabilities whose existence is certain or probable, but whose amount or timing were uncertain at the reporting date. Therefore, a provision is made under "Provisions for risks and charges" only when:

- there is a present (legal or constructive) obligation resulting from a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- a reliable estimate can be made of the amount of the obligation.

When the financial effect related to the time factor is significant and the payment dates of the obligations can be reliably estimated, the provision is represented by the present value (calculated at current market rates at the date of preparation of the financial statements) of the estimated future charges that are expected to be incurred to settle the obligation.

No provisions are recognised for liabilities that are only potential and not probable, but information is provided in the Notes to the Financial Statements, except in cases where the probability of using resources is remote or the phenomenon is not significant.

Provisions are used only to cover the expenses for which they were originally recorded and are reversed to the income statement when the obligation is settled or when it becomes unlikely that resources will be used to fulfil the current obligation.

Income from equity investments and interest expense

"Income from equity investments" and "Interest expense" are recognised in the income statement on a pro rata basis over time for all instruments based on the contractual interest rate or at the effective interest rate if the amortised cost method is applied.

Interest on arrears, where provided for in the contract, is recognised in the income statement only when actually collected.

Commission income

"Commission income" for revenues from services rendered are recorded, based on the existence of contractual agreements, on an accrual basis, i.e. in the financial year in which the services were rendered; commissions considered as part of the amortised cost for the purpose of determining the effective interest rate, which are recognised under interest, are excluded.

Costs

"Costs" are recognised when they relate to goods and services purchased or consumed during the year, recorded on an accrual basis.

Information on the Balance Sheet

(thousands of euro)

Assets

A.1 Cash and cash equivalents

Cash and cash equivalents: breakdown

Items	31/12/2024	31/12/2023
Banks	27	56
Cash	5	4
Total	**32**	**60**

This item represents bank deposits as at 31 December 2024, which include interest income credited by banks and cash on hand at the same date, in euro and in foreign currencies.

A.2 Financial assets measured at fair value through other comprehensive income

Financial assets measured at fair value through other comprehensive income

Items	31/12/2024	31/12/2023
Financial assets measured at fair value through other comprehensive income	5,165	5,165
Total	**5,165**	**5,165**

The item refers to the share that SIMEST holds in FINEST SpA (which is not an associate).

Financial assets measured at fair value through other comprehensive income: breakdown by type

Items	31/12/2024			31/12/2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Debt securities						
1.1 Structured securities						
1.2 Other debt securities						
2. Equity securities			**5,165**			**5,165**
2.1 Measured at fair value						
2.2 Measured at cost			5,165			5,165
3. Units in collective investment undertakings						
4. Loans						-
Total	-	-	**5,165**	-	-	**5,165**

The table also shows that there are no changes compared to the previous year.

A.3 Financial assets mandatorily measured at fair value through profit or loss

The item refers to receivables from Partner companies resulting from investment transactions in investees which, under IFRS 9, do not pass the SPPI test (solely payments of principal and interest on the principal amount outstanding) and therefore must be measured at fair value.

In particular, the relationships between SIMEST, its Partner companies and its investees are considered financial assets ("linked transactions") whereby SIMEST is entitled to receive a contractually defined amount of money from the Partner companies which is not less than the amount disbursed, thereby substantiating the relationship with the Partner within the context of the linked transaction. These relationships, regardless of their legal form, are classified as loans and receivables. The exposure measured at fair value within the equity portfolio is of a residual nature and amounts to a total of approximately 34.3 million euro, of which more than half have maturities by the year 2025. The overall portfolio is within a fair value delta range of 5% on average, with maturities ending in 2027.

Financial assets mandatorily measured at fair value through profit or loss: breakdown by debtor/issuer

	31/12/2024	31/12/2023
1. Equity securities	**4**	**4**
of which: banks	-	-
of which: other financial companies	-	-
of which: non-financial companies	*4*	*4*
2. Debt securities	18	18
a) Central banks	-	-
b) Public administrations	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	18	18
3. Units in collective investment undertakings	-	-
4. Loans	**34,314**	**59,169**
a) Central banks	-	-
b) Public administrations	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	34,314	59,169
f) Households	-	-
Total	**34,336**	**59,191**

The reduction in this item (24.8 million euro) is essentially due to the trend in loan repayments during the year (28.9 million euro) and the net result of loans for equity investments measured at fair value, including analytical write-downs on impaired positions (2.1 million euro).

Financial assets mandatorily measured at fair value through profit or loss: breakdown by type

Items/Values	31/12/2024			31/12/2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Debt securities	**-**	**18**	**-**	**-**	**18**	**-**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	-	18	-	-	18	-
2. Equity securities	**4**	**-**	**-**	**4**	**-**	**-**
3. Units in collective investment undertakings	**-**	**-**	**-**	**-**	**-**	**-**
4. Loans	**-**	**-**	**34,314**	**-**	**-**	**59,169**
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	34,314	-	-	59,169
Total	**4**	**18**	**34,314**	**4**	**18**	**59,169**

Financial assets mandatorily measured at fair value through profit or loss: breakdown by debtor/issuer

	31/12/2024			
		Non-performing		
Items	*Performing*	Purchased	Other	Total
Receivables from:				
a) Governments				
b) Other public entities				
c) Other parties	27,003		7,333	**34,336**
Total	**27,003**		**7,333**	**34,336**

Financial assets mandatorily measured at fair value through profit or loss: breakdown by maturity

Items	Past due	up to 3 months	up to 12 months	up to 5 years	over 5 years	Total
Financial assets mandatorily measured at fair value	6,847	180	20,051	7,258	-	**34,336**
Total						**34,336**

A.4 Financial assets measured at amortised cost

Financial assets measured at amortised cost, of which Receivables for equity investments: breakdown by debtor/issuer

Items/Values	31/12/2024			31/12/2023		
	First and second stage	Third stage	of which: purchased or originated credit-impaired financial assets	First and second stage	Third stage	of which: purchased or originated credit-impaired financial assets
1. Debt securities	-	-	-	-	-	-
a) Public administrations	-	-	-	-	-	-
b) Other financial companies	-	-	-	-	-	-
of which: insurance companies	-	-	-	-	-	-
c) Non-financial companies	-	-	-	-	-	-
2. Loans to:	**428,168**	**19,350**	**-**	**406,185**	**5,734**	**-**
a) Public administrations	-	-	-	-	-	-
b) Other financial companies	-	-	-	-	-	-
of which: insurance companies	-	-	-	-	-	-
c) Non-financial companies	428,168	19,350	-	406,185	5,734	-
d) Households		-	-		-	-
Total	**428,168**	**19,350**	**-**	**406,185**	**5,734**	**-**

This item refers to receivables from Partner companies resulting from investment transactions in investees which, having passed the SPPI test, are measured at amortised cost.

Financial assets measured at amortised cost, of which Receivables for equity investments: gross value and accumulated impairment

Items/Values	Gross value				Accumulated impairment			
	First stage	of which: instruments with low credit risk	Second stage	Third stage	First stage	Second stage	Third stage	Total partial write-offs
Debt securities	-	-	-	-	-	-	-	-
Loans	291,290	-	150,835	58,210	(3,035)	(7,935)	(38,860)	-
Total	**291,290**	**-**	**150,835**	**58,210**	**(3,035)**	**(7,935)**	**(38,860)**	**X**

Other financial receivables: breakdown

The item refers to mortgages and loans disbursed to employees.

Items	31/12/2024	31/12/2023
Mortgage loans to employees	2,812	3,198
Loans for employees	175	217
Total	**2,987**	**3,415**

The following table provides a breakdown by maturity:

Items	up to 3 months	up to 12 months	up to 5 years	over 5 years	Total
Receivables for mortgage loans to employees	63	189	986	1,574	2,812
Receivables for loans to employees	15	42	92	26	175
Total					**2,987**

A.5 Property, plant and equipment

Operating property, plant and equipment: breakdown of assets measured at cost

Items	31/12/2024	31/12/2023
1. Owned assets	**454**	**549**
a) land		
b) buildings		
c) furniture	234	285
d) electronic equipment	220	264
e) others		
2. Rights of use acquired through lease	**9,258**	**10,638**
a) land		
b) buildings	8,931	10,279
c) furniture		
d) electronic equipment		
e) others	327	359
Total	**9,712**	**11,187**

This item also includes assets deriving from rights of use acquired under leases, based on the IFRS 16, amounting to around 9.2 million euro as at 31 December 2024. In particular, the amount includes approximately 8.9 million euro relating to the right of use of the leased building housing the Company headquarters in Rome.

Operating property, plant and equipment: changes for the year

	Furniture	Electronic equipment	Buildings (rights of use)	Motor vehicles (rights of use)	Other assets (rights of use)	Total
A. Gross opening balance	**1,840**	**2,645**	**18,445**	**701**	**203**	**23,834**
A.1 Total net write-downs	(1,555)	(2,381)	(8,166)	(341)	(203)	(12,646)
A.2 Net opening balance	285	264	10,279	359	-	11,187
B. Increases	**4**	**54**	**-**	**66**	**198**	**322**
B.1 Purchases	4	54	-	66	198	322
C. Decreases	**(54)**	**(99)**	**(1,348)**	**(229)**	**(67)**	**(1,797)**
C.1 Sales	-	-	(38)	(68)	0	(106)
C.2 Depreciation	(54)	(99)	(1,310)	(161)	(67)	(1,691)
D. Net closing balance	**235**	**219**	**8,931**	**196**	**131**	**9,712**
D.1 Total net write-downs	(1,609)	(2,480)	(9,514)	(570)	(270)	(14,443)
D.2 Gross closing balance	**1,844**	**2,699**	**18,445**	**767**	**401**	**24,156**

Depreciation is calculated by applying the straight-line method and on the basis of rates determined in relation to the use of the assets and their residual life.
Purchases during the year essentially concern the implementation of hardware for the Company information system as well as the purchase of furniture and furnishings.
In addition, purchases and the related depreciation also include assets deriving from rights of use acquired under leases, in accordance with the IFRS 16.

A.6 Intangible assets

Intangible assets: breakdown

Items	31/12/2024	31/12/2023
Software licenses	3,026	2,487
Office renovation costs	50	67
Total	**3,076**	**2,554**

The item includes the costs for updating the IT procedures for the management of Company operating activities.
The amortisation of the software and the expenses incurred for the development plan is calculated on a straight-line basis over a period of three years.
It should be noted that in 2024, the Company did not carry out any transactions involving crypto currencies – crypto assets.

Intangible assets: changes for the year

A. Opening balance	**20,902**
A.1 Total net write-downs	(18,348)
A.2 Net opening balance	2,554
B. Increases	**3,304**
B.1 Purchases	3,304
of which: business combinations	
C. Decreases	**(2,782)**
C.1 Sales	
of which: business combinations	
C.2 Write-downs	(2,782)
- Amortisation	(2,782)
- Impairment:	-
+ Equity	
+ Income statement	
D. Net closing balance	**3,076**
D.1 Total net write-downs	(21,130)
E. Gross closing balance	**24,206**

A.7 Tax assets

Items	31/12/2024	31/12/2023
Tax assets for direct taxes		
a) current	794	-
b) deferred	1,477	1,232
Total	**2,271**	**1,232**

Deferred tax assets: breakdown

Items	31/12/2024	31/12/2023
Deferred tax assets recognised in the Income Statement	**1,477**	**1,232**
- provisions for risks and charges	1,330	971
- write-downs on receivables	147	261
Deferred tax assets recognised in Equity		
Total	**1,477**	**1,232**

Changes in deferred tax assets

Items	31/12/2024
Opening balance	**1,232**
2. Increases	**1,277**
2.1 Deferred tax assets recognised during the year	1,277
2.2 New taxes or increases in tax rates	
2.3 Other increases	-
2.4 Business combinations	
3. Decreases	**(1,032)**
3.1 Deferred tax assets derecognised during the year	(1,032)
a) reversals	(1,032)
b) write-downs due to uncollectability	-
c) due to change in accounting policies	
d) other	-
3.2 Reduction in tax rates	
3.3 Other decreases	
3.4 Business combinations	
Closing balance	**1,477**

A.8 Other assets

Other assets: breakdown

Items	31/12/2024	31/12/2023
Trade receivables and advances to public entities	27,681	22,332
Advances to suppliers	1,386	84
Other trade receivables	1,091	-
Tax receivables from fiscal consolidation	2,638	-
Accrued income and prepaid expenses	348	203
Total	**33,144**	**22,619**

"Trade receivables and advances to public entities" includes receivables for the commissions under the agreement to manage the Law 295/73 Fund, the Law 394/81 Fund (including management of the resources of the NRRP), the Sustainable Growth Fund, the Venture Capital Fund and the Start-Up Fund.

Liabilities

P.1 Loans payable measured at amortised cost

Loans payable measured at amortised cost: breakdown

Items	31/12/2024	31/12/2023
Due to banks	164,348	140,602
Due to Cassa Depositi e Prestiti	16,702	27,840
Payables relating to right of use	9,514	10,732
Total	**190,564**	**179,174**

The item refers to the current account overdraft facility provided by the banking system and the use of credit lines to support the cash flows of equity investments.
In addition, this item includes payables arising from rights of use acquired under leases, in accordance with the IFRS 16.

Loans payable measured at amortised cost: breakdown by maturity

Items	31/12/2024	31/12/2023
Loans repayable on demand	41,807	11,657
Term loans and loans repayable with notice	139,243	156,785
Payables relating to right of use	9,514	10,732
Total	**190,564**	**179,174**

The item "Loans repayable on demand" refers to the current account overdraft, at the end of the year, activated with the banking system. The amount is recognised at nominal value and includes accrued fees payable.

The item "Term loans and loans repayable with notice" refers to the outstanding payable (including accrued liabilities) at the end of the period relating to the use of credit lines. It also includes the individual credit lines from Cassa Depositi e Prestiti as well as credit lines pooled with other lenders.

Finally, this item includes payables of approximately 9.5 million euro, determined based on the discounting of the minimum lease payments due up to maturity (IFRS 16).

The following table provides a breakdown by maturity of those payables:

Assets/Values	31/12/2024
Lease liabilities	
Total cash outflows for leases within 5 years	**7,809**
Within 1 year	1,741
From over 1 year to 2 years	1,602
From over 2 years to 3 years	1,496
From over 3 years to 4 years	1,485
From over 4 years to 5 years	1,485
Total cash outflows for leases beyond 5 years	**1,705**

P.2 Other liabilities

Other liabilities: breakdown

Items	31/12/2024	31/12/2023
Amounts due to employees	3,882	1,949
Trade payables and other items	16,671	13,669
Tax payables	976	1,524
Due to social security institutions	917	1,041
Total	**22,446**	**18,183**

P.3 Employee severance indemnity

Employee severance indemnity: changes for the year

	31/12/2024	31/12/2023
A. Opening balance	**1,400**	**1,677**
B. Increases	**98**	**66**
B.1 Provision for the year	80	-
B.2 Other increases	18	66
C. Decreases	**689**	**343**
C.1 Severance payments	686	322
C.2 Other decreases	3	21
D. Closing balance	**809**	**1,400**

IAS 19, issued in 1998 and subsequently revised, is the standard that covers the benefits that, for various reasons, a company may provide to its employees (employee benefits) and defines the accounting treatment of these benefits.

IAS 19 is based on the principle that the cost of employee benefits is recognised not when it is paid or made payable, but in the period in which the benefit becomes an employee's right; the benefits governed by IAS 19 are classified into the following four categories, for which there are different accounting methods:

- "short-term employee benefits": short-term benefits provided by the company within twelve months following the financial statements, other than benefits due for termination of employment; this category of benefits includes, among other things, employee wages and social security contributions;
- "post-employment benefits": post-employment benefits due after the end of the employment relationship, such as, for example, supplementary pensions and health care benefits, post-employment benefits, additional monthly payments;
- "other long-term employee benefits": other long-term benefits that cover a range of items and that do not end within the first twelve months following the financial statements, other than benefits due on termination of employment and those due after termination of the employment relationship, such as, for example, disability allowances and seniority bonuses;
- "termination benefits": services due for termination of employment; these are benefits provided by the company in particular cases of interruption of the employment relationship, such as, for example, early retirement incentives.

"Post-employment benefits" are distinguished between defined benefit plans and defined contribution plans, depending on the economic nature of the plan. In defined contribution plans, the company, based on an agreement, pays fixed contributions to a separate entity (a fund) and has no real or implicit obligation to pay additional contributions, so that the actuarial risk (benefits lower than expectations) and the investment risk (assets invested insufficient to meet the expected benefits) fall on the employee. In defined benefit plans, on the other hand, the actuarial risk and the investment risk fall on the company.

As expressly noted in IAS 19, the employee severance indemnity, despite the terminological affinity with "termination benefits", is classified among "post-employment benefits" regardless of the causes of termination.

The following were the main actuarial assumptions made in calculating Employee severance indemnity:

Accounting treatment of defined contribution plans and defined benefit plans

Economic and financial parameters	2024	2023	2022	2021
Nominal annual discount rate	3.4%	3.4%	4.0%	0.7%
Annual inflation rate	2.00%	2.40%	8.10%	1.90%

Demographic parameters	2024
Removal from service - Death	Probability of removal due to death: equal to those of the Italian population of 30%, broken down by age and gender
Removal from service - Various causes	Possibility of removal of active staff for various reasons (resignations, dismissals) equal to 3% up to 54 years of age and equal to 5% for subsequent ages
Retirement age	Provisions contained in Italian Law no. 214/2011 and Italian Decree Law no. 4/2019, assuming that workers leave the service when they reach the first right

Reconciliation of liabilities 01/01/2024-31/12/2024

(euro)	31/12/2024	31/12/2023
A. Opening balance	**1,400,280**	**1,677,095**
B. Increases	**98,226**	**66,236**
B.1 Provision for the year	80,370	-
B.2 Other increases	17,856	66,236
C. Decreases	**689,643**	**343,051**
C.1 Severance payments	686,205	322,341
C.2 Other decreases	3,438	20,710
D. Closing balance	**808,863**	**1,400,280**

The actuarial profit is represented in the statement of comprehensive income as an adjustment to equity without going through the income statement.

P.4 Tax liabilities

Tax liabilities: breakdown

Items	31/12/2023	31/12/2022
Tax liabilities for direct taxes		
a) current	0	586
b) deferred		
Total	-	**586**

The item refers to the IRAP payable and additional IRES for the year 2023.

P.5 Provisions for risks and charges

Provisions for risks and charges: breakdown

Items	31/12/2024	31/12/2023
1. Company pension funds	**-**	**-**
2. Other provisions for risks and charges	**3,566**	**4,872**
2.1 Legal disputes	-	-
2.2 Staff costs	2,540	2,717
2.3 Other	1,026	2,155
Total	**3,566**	**4,872**

Provisions for risks and charges represent the allocations to cover future outlays deemed probable in relation to events known by the date of approval of the draft financial statements for the year 2024. The item includes the provision for charges relating to employees and other provisions, with a specific purpose, which relate to risks deriving from the Company's core business.

Provisions for risks and charges: changes for the year

Items	31/12/2024	31/12/2023
A. Opening balance	**4,872**	**1,715**
B. Increases	**2,540**	**4,630**
B.1 Provision for the year	2,540	4,630
B.2 Changes due to the passage of time		
B.3 Changes due to amendments in the discount rate		
B.4 Other changes		
C. Decreases	**3,846**	**1,473**
C.1 Use during the year	2,717	1,473
C.2 Changes due to amendments in the discount rate		
C.3 Other changes	**1,129**	
D. Closing balance	**3,566**	**4,872**

Equity

P.6 Share capital

Share capital: breakdown

Items	31/12/2024	31/12/2023
Share capital subscribed and paid in	164,646	164,646
Total	**164,646**	**164,646**

As at 31 December 2024, share capital amounted to 164,646 thousand euro, fully subscribed and paid in, represented by 316,627,369 shares with a nominal value of 0.52 euro each.

Share capital – Number of shares of the Company: changes for the year

Items	Ordinary	Other
A. Shares at the start of the year	**316,627,369**	-
- fully paid	316,627,369	
A.1 Treasury shares (-)		
A.2 Outstanding shares: opening balance	316,627,369	
B. Increases		
B.1 New issues		
B.2 Sale of treasury shares		
B.3 Other changes		
C. Decreases		
C.1 Cancellation		
C.2 Purchase of treasury shares		
C.3 Transactions for the sale of businesses		
C.4 Other changes		
D. Outstanding shares: closing balance	**316,627,369**	**-**
D.1 Treasury shares (+)	-	-
D.2 Shares existing at the end of the year	316,627,369	-
- fully paid	316,627,369	-

P.7 Share premium reserve

Share premium reserve

Items	31/12/2024	31/12/2023
Share premium reserve	1,736	1,736
Total	**1,736**	**1,736**

The premiums concerned a total of 22,403,298 shares.

P.8 Reserves

Reserves

As at 31 December 2024, the Company reported the following "Reserves":

Items	31/12/2024	31/12/2023
Capital reserves:	**5,165**	**5,165**
Reserve pursuant to Article 88(4) of Italian Presidential Decree no. 917/86	5,165	5,165
Income reserves:	**141,569**	**138,068**
Legal reserve	23,162	22,986
Other reserves	60,653	60,663
First Time Adoption Reserve	63,527	63,527
IFRS 9 FTA reserve	9,454	9,454
Retained earnings (losses carried forward)	(15,227)	(18,562)
Total	**146,734**	**143,233**

The reserve pursuant to Article 88(4) of Italian Presidential Decree no. 917/86 regards the capital grant received from the Ministry of Economic Development to subscribe to the equity investment in FINEST SpA of Pordenone, as established by Italian Law no. 19 of 9 January 1991. The item "Other reserves", based on the second paragraph of Article 6 of Italian Legislative Decree no. 38/2005, includes restricted reserves of 28 thousand euro for unrealised fair value gains recognised through profit or loss.

Information on the Income Statement

C.1 Income from equity investments

Income from equity investments: breakdown

Items	31/12/2024	31/12/2023
Income from equity investments	27,553	26,957
Total	**27,553**	**26,957**

The item refers to the fees deriving from equity investments (21,425 thousand euro) and also includes income deriving from shareholder loans (4,333 thousand euro) and default interest (1,795 thousand euro).

C.2 Interest expense and similar expense

Interest expense and similar expense: breakdown

Items	31/12/2024	31/12/2023
Interest expense and similar expense	(6,789)	(5,718)
Total	**(6,789)**	**(5,718)**

The item refers to the interest expense accrued on the current account overdraft facility provided by the banking system and the use of credit lines to support the cash flows of equity investments. This item includes interest expense on lease payments, based on IFRS 16.

C.3 Commission income

Commission income: breakdown

Items	31/12/2024	31/12/2023
Commission income	57,514	47,332
Total	**57,514**	**47,332**

This item refers to fees (reversal of direct and indirect costs, commissions for the management of the NRRP only) received for managing the Venture Capital Fund (8,805 thousand euro), the Law 394/81 Fund and the resources of the NRRP (37,687 thousand euro), the Sustainable Growth Fund (185 thousand euro) and the Law 295/73 Fund (10,837 thousand euro).

It should be noted that the increase in fees for the year 2024 is due to the increased operations in the management of the Funds and of the NRRP (National Recovery and Resilience Plan) resources.

C.4 Net profit (loss) on assets mandatorily measured at fair value through profit or loss

Net profit (loss) on assets mandatorily measured at fair value through profit or loss: breakdown

Transactions/Income components	Gains (A)	Gains on disposals (B)	Capital losses (C)	Losses on disposal (D)	Net balance ((A+B)-(C+D))
1. Financial assets held for trading	**2,994**	**3,171**	**(3,754)**	**-**	**2,411**
1.1 Debt securities	-	-	-	-	-
1.2 Equity securities	-	-	-	-	-
1.3 Units in collective investment undertakings	-	-	-	-	-
1.4 Loans	2,994	3,171	(3,754)	-	2,411
2. Financial assets: exchange rate differences	-	-	-	-	-
Total	**2,994**	**3,171**	**(3,754)**	**-**	**2,411**

It should be noted that, as part of the fair value measurement model, in line with the Parent Company CDP, the value sets for the probability of default (PD) Point in Time were confirmed and the market variables were updated.

C.5 Other financial income

Other financial income: breakdown

Items	31/12/2024	31/12/2023
Other financial income	43	109
Total	**43**	**109**

The item mainly refers to interest income deriving from bank deposits and other financial receivables for mortgage loans and loans disbursed to employees.

C.6 Net adjustments/recoveries for credit risk on assets measured at amortised cost

Net adjustments/recoveries for credit risk on assets measured at amortised cost

Transactions/Income components	Adjustments			Recoveries		Total
	First and second stage	Third stage		First and second stage	Third stage	
		Write-offs	Other			
A. Receivables from banks	-	-	-	-	-	-
- Loans	-	-	-	-	-	-
- Debt securities	-	-	-	-	-	-
of which: purchased or originated impaired loans	-	-	-	-	-	-
B. Receivables from customers	**(3,121)**	**0**	**(10,630)**	**413**	**1,299**	**(12,039)**
- Loans	(3,121)	-	(10,630)	413	1,299	(12,039)
- Debt securities	-	-	-	-	-	-
of which: purchased or originated impaired loans	-	-	-	-	-	-
Total	**(3,121)**	**-**	**(10,630)**	**413**	**1,299**	**(12,039)**

For the component classified at amortised cost, the impairment valuation model (pursuant to IFRS 9) factors in, taking into account the reference macroeconomic scenario, the updating of risk parameters, the application of prudent classification criteria in the second stage and the adjustment of write-downs on the non-performing stock component (third stage).

C.7 Administrative expenses

Administrative expenses: breakdown

Items	31/12/2024	31/12/2023
a) Staff costs	(28,561)	(21,338)
b) Other administrative expenses	(25,478)	(20,902)
Total	**(54,039)**	**(42,240)**

The increase is mainly attributable to higher costs incurred for external support in the management of soft loans, linked to the growth in the number of reports, particularly related to the NRRP, higher ICT costs enabled by investments to support digital transformation, and higher related taxes.

Staff costs: breakdown

Items	31/12/2024	31/12/2023
1) Employees	**(26,678)**	**(18,625)**
a) Wages and salaries	(14,496)	(12,040)
b) Social security costs	(33)	(37)
c) Employee severance indemnity – payments and accruals	(1,124)	(792)
d) Pension costs	(3,629)	(3,001)
e) Payments to external supplementary pension funds:	(809)	(557)
- defined contribution	*(809)*	*(557)*
f) Other employee benefits	(6,587)	(2,198)
2) Other personnel in service	**(1,616)**	**(2,439)**
3) Directors and Statutory Auditors	**(267)**	**(274)**
Total	**(28,561)**	**(21,338)**

With regard to staff costs, there was an increase essentially due to the increase in the number of employees compared to last year as a result of the increased operations for the management of Public Funds and the consolidation of the new organisational structure.

Other employee benefits: breakdown

Items	31/12/2024	31/12/2023
Meal vouchers	(435)	(333)
Insurance policies	(1,449)	(1,260)
Leaving incentives	(4,511)	(453)
Other benefits	(192)	(152)
Total	**(6,587)**	**(2,198)**

Other administrative expenses: breakdown

Items	31/12/2024	31/12/2023
Professional and financial services	(9,979)	(7,686)
Outsourcing	(1,199)	(1,719)
Information services	(2,870)	(1,852)
Advertising and marketing expenses	(3,350)	(3,227)
General services	(2,652)	(1,829)
Utilities, duties and other expenses	(5,308)	(4,464)
Expenses for other corporate bodies	(120)	(125)
Total	**(25,478)**	**(20,902)**

Expenses for 2024 relating to services provided by the Independent Auditors are as follows:

Items	Entity that provided the service	Amount of fees
Statutory audit of accounts and Financial Statements for the year	Deloitte & Touche SpA	56,879
Audit of the annual and half-yearly Reporting Package for the Parent Company and Ultimate Parent Company	Deloitte & Touche SpA	19,994
Other auditing services (audit of the accounting separation file)	Deloitte & Touche SpA	9,593
Other auditing services (audit of the non-financial report)	Deloitte & Touche SpA	9,375
Total		**95,841**

C.9 Net allocations to provisions for risks and charges

Net allocations to provisions for risks and charges: breakdown

Items	31/12/2024	31/12/2023
Net allocations to provisions for sundry expenses for personnel	(856)	(4,630)
Net allocations to other provisions	-	0
Total	**(856)**	**(4,630)**

The item includes the provision for charges relating to employees and other provisions, with a specific purpose, which relate to risks deriving from the Company's core business.

C.10 Net adjustments/recoveries on property, plant and equipment

Net adjustments/recoveries on property, plant and equipment: breakdown

Items	Depreciation (a)	Value adjustments for impairment (b)	Value recoveries (c)	Net balance (a + b - c)
A. Property, plant and equipment				
A.1 Owned	(153)			(153)
- For operations	(153)			(153)
- For investment				
A.2 Acquired under lease	(1,538)			(1,538)
- For operations	(1,538)			(1,538)
- For investment				
Total	**(1,691)**	-	-	**(1,691)**

C.11 Net adjustments/recoveries on intangible assets

Net adjustments/recoveries on intangible assets: breakdown

Items	Amortisation (a)	Value adjustments for impairment (b)	Value recoveries (c)	Net balance (a + b - c)
A. Intangible assets				
A.1 Owned	(2,782)			(2,782)
- Other	(2,782)			(2,782)
A.2 Acquired under lease				-
Total	**(2,782)**	**-**	**-**	**(2,782)**

C.12 Income tax for the year

Income tax for the year on continuing operations: breakdown

Items	31/12/2024	31/12/2023
1. Current taxes (-)	(2,147)	(5,533)
2. Changes in current taxes from previous years (+/-)	-	-
3. Reduction in current taxes for the year (+)	-	-
4. Changes in deferred tax assets (+/-)	246	132
5. Change in deferred tax liabilities (+/-)	-	-
6. Income taxes for the year (-) (-1+/-2+3+/-4+/-5)	**(1,901)**	**(5,401)**

In 2024, current and deferred taxes totalled 1,901 thousand euro (5,401 thousand euro in 2023). With regard to deferred taxes, based on the calculation of assets and liabilities outstanding as at 31 December 2024, the balance of deferred tax assets amounts to 246 thousand euro.

Current taxes for the 2024 financial year have been determined in accordance with the opinion of the Italian Revenue Agency, as set out in its response of February 2025 to the request for legal advice submitted by SIMEST in October 2024. In this regard, it should be noted that the Italian Revenue Agency has recognised that SIMEST is subject to the principle of "enhanced derivation" pursuant to Article 83 of the Consolidated Income Tax Act (TUIR), with reference to equity investment contracts entered into from 2017 onwards, recorded under "Financial assets measured at amortised cost". This circumstance consequently led to a reduction in current taxes for the financial year.

The following tables provide a reconciliation of the theoretical tax liability and the actual tax liability.

	31/12/2024
Gross income (loss) before tax	**9,641**
Theoretical IRES tax liability (rate 27.5%)	**2,651**
Increases	
- Temporary changes	1,061
- Permanent changes	1,368
Decreases	
- Dividends	(280)
- Gains on equity investments	(78)
- Other changes	(3,248)
Changes in the previous year	-
Effective IRES tax liability on financial statements	**1,474**

Difference between value and cost of production	**8,403**
Theoretical IRAP tax liability (rate 5.57%)	**468**
- Increases in taxes	205
- Decreases in taxes	-
Changes in the previous year	-
Effective IRAP tax liability on financial statements	**673**

Information on risks and hedging policies

With reference to identifying the risks that characterise SIMEST's activities, while not subject to prudential regulation, the Company adheres to current supervisory regulations for banks and the principles adopted by the Basel Committee.
The identification and classification of different types of risk is set out in SIMEST's Risk Regulations. This document provides a comprehensive overview of the areas of risk relevant to SIMEST, in line with the Company's operational developments and the Group framework, referring to the specific policies and regulations in force for the technical aspects of assessing, managing and monitoring individual risks.
The most significant risks to which the Company is exposed are listed below.

Credit risk: understood as the risk that a borrower will not fulfil its commitments in relation to a loan and will not be able to repay its debt. The Risk Regulations provide guidelines and specific control measures, both ex ante and ex post, broken down by counterparty and/or transaction, referring, for risk measurement aspects, to the Rating and Recovery Rate Policy and, for monitoring limits, tools and metrics, to the Credit Risk Policy.
To protect against credit risk, the Company adopts specific processes to assess, monitor and manage individual exposures and the portfolio through the use of models, operational tools and reporting. In particular, in the various phases of the process, the Company uses tools and models to support analysis (e.g. rating and early warning system) aimed at measuring and monitoring the counterparty's credit risk and the possible deterioration of the credit profile so as to support management and the structures responsible for initiatives to protect its assets and, where necessary, initiating credit recovery activities.
The credit risk associated with the equity investments is mainly mitigated through the direct commitments of the Italian Partners to the forward purchase of SIMEST's equity investments, partially secured by corporate sureties, collateral and bank or insurance guarantees.
As at 31 December 2024, the direct commitments of the Italian Partners for the forward purchase of equity investments amounted to approximately 445 million euro (428 million euro as at 31 December 2023). Commitments backed by bank and/or insurance guarantees amounted to approximately 26 million euro (in line with 31 December 2023); those backed by collateral amounted to 20 million euro (27 million euro as at 31 December 2023).

Guarantees

(%; millions of euro)	2024		2023	
Direct commitments of Italian Partners	91%	445	89%	428
Commitments secured by banks and insurance companies	5%	25	5%	26
Commitments secured by collateral	4%	20	6%	27
Total amount disbursed		**490**		**481**

In line with its institutional role, SIMEST supports – as a Partner – companies with adequate creditworthiness, operating in strategic sectors and supply chains with sustainability and impact investing characteristics geared towards international expansion.
The Credit Risk Policy provides specific guidelines on the structuring, monitoring and management of transactions from a risk-sensitive perspective, differentiating them by duration, repayment plan, guarantee framework according to the rating, with the aim of further strengthening the credit risk controls. In 2024, the monitoring of operational limits by rating and by counterparty/group provided for in the Credit Risk Policy continued, with related periodic reporting to the corporate bodies.

In line with the indications of the policy, particular attention was paid to the credit origination phase, directing new equity loan transactions towards counterparties with better credit standing, consistent with the objective of progressively reducing the cost of risk and the significance of the non-performing component of the portfolio.

Ratings, as a measure of default risk, are particularly important for the purposes of measuring credit risk. Ratings of creditworthiness are periodically updated (at least annually) based on the availability of economic-financial information on the counterparty and/or adverse events/anomaly signals deriving from internal and/or external data sources.

As part of the credit risk monitoring tools and in line with the provisions of the Strategic Plan, SIMEST has launched a project aimed at defining an approach for monitoring and classifying credit exposures in line with the Taxonomy and tools used at Group level (i.e. the early warning system model). In this context, during the year, the implementation of the engine for the calculation of unpaid amounts (i.e. past-due engine) was completed according to the logic defined by the prudential regulations, aimed at intercepting anomalies in the payments of the credit relationship.

With regard to the risk-adjusted pricing methodology applied to financing transactions, SIMEST's Board of Directors approved the update of the relevant policy in June 2024. This update concerns certain methodological refinements relating, in particular, to the determination of funding costs and administrative costs, as well as the possibility of setting pricing conditions linked to ESG objectives and KPIs. The pricing methodology provides risk-based returns in relation to the characteristics of the investment (e.g. duration and expected collateral framework) and creditworthiness of the counterparties with the objective of estimating the reference value for achieving a level of risk-adjusted profitability that is consistent with the economic value creation objectives set forth in the Strategic Plan. In addition, to support the business, the Risk Management unit periodically updates the pricing grids that highlight the spread values applicable to the transaction when parameters such as the rating, duration and security package change and corresponding to different levels of expected shareholder return (expressed by the RAROC – risk adjusted return on capital – measure). In this context, following the opening of the European Investment Bank (EIB) funding line, impact assessments of EIB subsidised funding on adjusted pricing risk have also been launched.

Market risk: the risk arising from market transactions in financial instruments, currency and commodities. With regard to SIMEST, the price risk and the foreign exchange risk are marginal and almost fully mitigated by contractual clauses which, as a rule, guarantee that the investment will be recovered at the historic price paid in euro for acquisition of the equity investment. The fair evaluation, envisaged by IFRS 9, exposes part of the investment portfolio, albeit gradually decreasing, to potential value changes stemming from fluctuations in market factors (interest rates and credit spreads).

Operational risk: the risk of loss resulting from inadequate or malfunctioning internal procedures, people and systems or from external events. This context includes losses resulting from fraud, human error, business disruption, system unavailability, breach of contract, and natural disasters.
The operational risk control framework provides a structured set of processes, functions and tools for the identification, assessment and monitoring of such risks. In particular, in accordance with the Parent Company's guidelines, the operational risk control system includes both: (i) a data collection and storage process (Loss Data Collection) and (ii) the assessment of the level of Company exposure to operational risks through a Risk Self-Assessment.
Operational risks are managed in collaboration with CDP on the basis of a service contract. During the year, in the LDC area, along with monitoring and follow-up activities on Action Plans, corporate information sources were updated and a number of Near Miss events were noted. As part of the Operational Risk Self-Assessment activities, in addition to the monitoring of existing Action Plans, the Risk Self-Assessment of specific business processes was completed, in line with the planned activities, with the definition of mitigation actions for the material risks identified.
Fraud risk is also included within the scope of operational risks, with its identification and monitoring governed by the Group's specific policy. In this context, ex-post controls were initiated to assess the effectiveness of the existing fraud risk management measures.

Operational risks also include ICT risk, i.e. the risk of (current or potential) economic, reputation and market share losses in relation to the use of Information and Communication Technology (ICT) due to events likely to compromise the availability, integrity and confidentiality of technical infrastructures and/or data.

Liquidity risk: the risk of default with respect to the Company's payment commitments includes two forms of risk that are often strongly correlated: (i) funding liquidity risk (inability/difficulty to raise funds with the risk of not being able to meet one's payment commitments) and (ii) market liquidity risk (difficulty in liquidating assets, and other assets to settle financial obligations as they fall due, quickly and without incurring losses). Liquidity risk management is monitored constantly through analysis of expected cash flows, especially for equity investments.
The framework monitoring the liquidity risk is based on two indicators: (i) short-term liquidity indicator and (ii) structural liquidity indicator, which aim respectively to verify and guarantee the Company's ability to deal with cash outflows in the short term and the right balance between the average duration of funding and lending sources, monitoring and limiting the use of forms of maturity transformation. These indicators are the subject of measurement, monitoring and periodic reporting by the Company's responsible structures. In case of exceeding the defined limits, in terms of process, the activation of the Contingency Funding Plan is provided as remediation action. The monitoring activities carried out in 2024 confirmed the effectiveness of the liquidity indicators and the warning thresholds introduced.

Interest rate risk: risk of losses caused by adverse movements in interest rates in terms of economic value and/or reinvestment of flows. The interest rate risk management framework, as governed by the relevant policy, envisages the adoption of the "Repricing Gap" methodology, which quantifies the interest rate risk by calculating the "imbalance", differentiated by predetermined time buckets, between assets and liabilities exposed to interest rate risk. The Repricing Gap on the various maturities, combined with an assumption of change in rates, makes it possible to quantify the potential impacts on the Income Statement, identifying the relative limits ("hard limits") and the relative warning thresholds ("soft limits").
The monitoring activities carried out in 2024 confirmed the effectiveness of the interest rate risk indicator and the warning thresholds introduced.

Concentration risk: in the case of "single name" and "geo-sector" risk, this refers to the risk arising from concentrated exposures to counterparties and/or groups of connected counterparties and to borrowers belonging to the same economic sector or engaged in the same activity or located in the same geographical area. During 2024, periodic monitoring of the operating limits by counterparty/group was carried out with reference to SIMEST's Equity and sector concentrations with related reporting to the corporate bodies.

Reputational risk: the current or prospective risk of a fall in profits, penalties, loss of economic value or damage to SIMEST's institutional role, resulting from a negative perception of the Company's image by customers, counterparties, investors, regulators or other stakeholders. SIMEST gives the highest priority to the need to prevent and monitor the occurrence of reputational events related to the transactions that fall within its corporate purpose, as defined in its Articles of Association, and thus promotes the definition of high ethical and professional standards and approval of clear policies and procedures aimed at their compliance. To this end, internal controls are carried out to mitigate the aforementioned risk and specific safeguards are adopted to prevent reputational events in the ordinary operations and management of public funds.

Money laundering risk: risk deriving from the violation of legal, statutory and self-regulatory provisions functional to the prevention of the use of the financial system for the purposes of money laundering, terrorist financing or crime. During 2024, SIMEST continued its monitoring and control activities, which also include reporting suspicious transactions to the Financial Intelligence Unit (FIU) for Italy. These latter, drawn up in the event of anomalies and/or reasonable grounds for suspecting that money laundering or terrorist financing operations are in progress or have been carried out or attempted, are carried out on the basis of available information (anomaly indicators) from internal and external databases and of the evaluation of the objective and subjective elements of the transactions. SIMEST worked in close collaboration and coordination with the Parent Company and with the relevant Authorities, in compliance with current regulations. It should be noted that the process of strengthening anti-money laundering controls and the increase in the volume of operations have been reflected in a significant number of suspicious transactions reported to the FIU.

Compliance risk: the risk of incurring legal or administrative penalties, losses or reputational damage as a result of violations of external provisions (Laws or Regulations) or self-governance rules (e.g., Articles of Association, Codes of Conduct). These risks are particularly relevant in view of SIMEST's institutional role as well as its extensive operations in the management of public funds.
SIMEST adopts the Group framework, which provides for specific policies, procedures and processes, as well as the performance of specific regulatory compliance checks (detailed Compliance Risk Assessment) and effectiveness checks (compliance controls) to prevent, mitigate and reduce the risks of non-compliance, reputational risks and penalties.

Climate and ESG (Environmental, Social, Governance) risks: risks arising from factors related to environmental, social and governance issues with an impact on the performance of counterparties/projects. The climate and sustainability objectives, as set out in the CDP Group's Internal Policies and Code of Ethics, complement the mission and institutional role of SIMEST as a medium and long-term investor supporting the internationalisation of Italian enterprises. SIMEST, in line with the Group's Sustainability Framework, is committed to guiding investment activities by taking ethical, environmental and governance (ESG) issues into account. In this context, SIMEST has undertaken a process of internal transformation towards a business and operating model oriented towards the creation of sustainable value, in line with the Group's approach and with the 2023-2025 Strategic Plan, envisaging, among other things, the launch of projects aimed at integrating sustainability analysis and ESG risk assessment into the evaluation processes of eligible financing operations.
During the year, activities related to the definition of an ESG risk measurement model continued, in line with the provisions of the Group policy "Assessment and management of ESG risks". Following the entry into force of the aforementioned policy, the controls were expanded to include the appointment of the ESG Risk contact person (i.e. Head of Risk Management) and the inclusion in the opinions of the Evaluation Risk Committee of initial assessments with particular reference to the environmental component. Furthermore, SIMEST has carried out a mapping of the main ESG risks to which the portfolio of equity loans is exposed, participating, among other things, in the double materiality analysis conducted by the Parent Company.

Capital adequacy: the Risk Regulations outline the internal process of assessing the consistency between the capital resources available (represented by equity) and the economic capital necessary to cover existing risks, measured using methodologies consistent with the CDP Group and SIMEST's business model. Results of the 2024 assessments have confirmed the full adequacy of capital resources.

Specific controls are also in place for the subsidised funds managed by SIMEST to monitor and mitigate the main risks to which these funds are exposed.
In particular, the Venture Capital Fund historically works together with SIMEST in supporting the international expansion of SMEs with participatory financing at a subsidised rate. The Venture Capital Fund, alongside traditional operations, supports the internationalisation of Italian innovative start-ups and SMEs (start-up operations), through the subscription of equity investments or the subscription of units/shares of investment funds, in collaboration with CDP Venture Capital SGR. The available public resources are divided into investments through fund subscriptions and direct co-investments with CDP Venture Capital SGR. In 2024, the strengthening and consolidation of monitoring controls continued, in particular on credit risk.

With regard to the Law 295/73 Fund, in March 2024, the Subsidies Committee, on the proposal of the SIMEST manager, approved the interest rate and exchange rate risk monitoring framework, which provides for the quantification of risks in line with prudential regulations (through the estimation of the present value of lifetime commitments under stress assumptions), accompanied by a scenario analysis of cash flows, including stress scenarios, over different time horizons and an early warning system on potential developments in the risks assumed. This framework has also been independently assessed by PricewaterhouseCoopers Business Services Srl, and the findings of the analysis conducted further confirm the adequacy of the framework and its alignment with best market practices, in accordance with the provisions of the regulations (i.e. Budget Law 2024). The monitoring activities carried out during the year confirmed the effectiveness of the indicators identified and the warning thresholds introduced.

With regard to the Law 394/81 Fund, in 2024, there was continued strengthening and consolidation of the integrated system of controls to oversee the reputational risks of fraud and money laundering. Furthermore, with regard to credit risk, monitoring and reporting activities continued to be carried out for the corporate bodies and interministerial committees. Within the framework of SIMEST's 2023-2025 Strategic Plan, the Risk Department, by participating in various working groups, contributes to the implementation of cross-functional activities.

Commitments to be disbursed

As at 31 December 2024, the Company had signed and/or approved commitments to be disbursed for a total amount of 68.1 million euro. The details of the commitments are shown in the following table:

	2024	2023
Commitments for loans taken out - to be paid	18	40
Commitments for approved loans - to be subscribed	50	3
Total amount of commitments	**68**	**43**

Transactions with related parties

Since 21 March 2022, the Company is 76% owned by CDP SpA.
With regard to relations with the majority shareholder CDP SpA, in accordance with Article 2428 of the Italian Civil Code, we hereby report that there is an agreement between SIMEST, CDP and SACE – known as the "Export Bank Agreement" – which establishes that CDP is to provide financial support and SACE is to provide guarantees in operations to finance the international expansion and exports of Italian businesses.
In relations with the majority shareholder, note should be taken of the use in 2024 of credit lines disbursed by Cassa Depositi e Prestiti (CDP) both individually and in a pool with other credit institutions (exposure of 16,702 thousand euro and interest expense for 251 thousand euro).
Costs were incurred for outsourcing contracts (expiring on 31/12/2024) relating to the management of ICT, Procurement, Internal Audit, Operational Risks, Human Resources, General Services, Corporate Security, Medicorner Logistics and Switchboard services for the Milan offices, as well as Technical Support to the Manager in Charge (under Law no. 262/05), and Auxiliary Services in the area of Sectoral Strategies and Impact (937 thousand euro). Also of note is the lease payment made for the use of offices in Milan, Venice, Naples, Palermo and Bologna (240 thousand euro).
Again with regard to relations with CDP, in 2024 remuneration was paid for the members of the SIMEST Board of Directors appointed from among CDP's senior managers (36 thousand euro).
As at 31 December 2024, sixteen employees were seconded from CDP.
With regard to tax items, the receivable from CDP relates to the Group's Tax Consolidation.

Transactions with other related parties

In terms of relations with the companies that are part of the CDP Group as at 31 December 2024, note the receivable (10.0 million euros) due to SIMEST from Ansaldo Energia SpA in relation to the investment in the company Ansaldo Energia Switzerland AG. To SACE SRV Srl (a subsidiary of SACE SpA) for commercial information, registration and debt collection services expiring on 31 December 2024 (200 thousand euro). Lastly, there are financial assets in relation to Webuild SpA relating to participating financial instruments and shares.

These transactions with related parties have all been conducted at arm's length.

Directors' and Statutory Auditors' remuneration

	Directors		Auditors	
Items	**Amount accrued**	**Amount paid**	**Amount accrued**	**Amount paid**
Short-term benefits	191	164	76	67
Total	**191**	**164**	**76**	**67**

Significant events after the reporting date

No significant events occurred after 31 December 2024.

Proposal for allocation of the net result for the year

We hereby submit for shareholder analysis and approval the Financial Statements for 2024, consisting of the Balance Sheet, the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows and the Notes to the Financial Statements. The financial statements are accompanied by the Directors' Report on Operations.

The 2024 net income the year of 7,740,035 euro will be allocated, less the allocation of 5% to the Legal Reserve for 387,002 euro, in accordance with the resolutions to be adopted by the Shareholders' Meeting. Furthermore, on the basis of the provisions of the second paragraph of Article 6 of Italian Legislative Decree no. 38/2005, in application of IFRS 9, the fair value profits recognised in the income statement which contributed to the determination of the result for the year amounted to 25,256 euro: consequently, given that the reserves already restricted for this purpose amounted to 26,708 euro, it will be necessary to release the restriction on non-distributable reserves for 1,452 euro.

For the Board of Directors
The Chairperson
Pasquale Salzano

Financial highlights of the company performing management and coordination

In accordance with Article 2497-bis, paragraph 4, of the Italian Civil Code, the following statements provide financial highlights from the most recent Financial Statements of the Parent Company, CDP SpA, with registered office in via Goito, 4 – 00185, Rome, Tax Code 80199230584 and VAT no. 07756511007.

Balance sheet

(euro)

	Asset items	31/12/2023	31/12/2022
10.	Cash and cash equivalents	1,148,101,413	2,630,401,853
20.	Financial assets measured at fair value through profit or loss	4,492,245,509	3,918,651,643
	a) financial assets held for trading	338,117,390	354,937,131
	b) financial assets measured at fair value		
	c) other financial assets mandatorily measured at fair value	4,154,128,119	3,563,714,512
30.	Financial assets measured at fair value through other comprehensive income	10,994,897,464	10,914,119,245
40.	Financial assets measured at amortised cost	345,069,503,990	346,085,421,500
	a) receivables from banks	22,450,011,219	20,834,490,264
	b) receivables from customers	322,619,492,771	325,250,931,236
50.	Hedging derivatives	2,105,169,542	4,343,993,853
60.	Value adjustment of the financial assets subject to macro hedging (+/-)	-2,001,492,273	-2,986,650,463
70.	Equity investments	33,064,707,418	33,721,181,345
80.	Property, plant and equipment	357,600,260	359,527,218
90.	Intangible assets	77,806,499	71,953,646
	- of which: goodwill		
100.	Tax assets	546,929,696	1,148,326,922
	a) current	1,777,693	398,243,811
	b) deferred	545,152,003	750,083,111
110.	Non-current assets held for sale and disposal groups		
120.	Other assets	426,348,346	483,385,478
	Total Assets	**396,281,817,864**	**400,690,312,240**

(euro)

	Liabilities and Equity items	31/12/2023	31/12/2022
10.	Financial liabilities measured at amortised cost	363,590,748,892	371,336,095,285
	a) due to banks	33,682,727,143	36,815,282,530
	b) payables to customers	311,594,468,524	317,370,012,071
	c) securities issued	18,313,553,225	17,150,800,684
20.	Financial liabilities held for trading	327,497,307	400,346,683
30.	Liabilities designated at fair value		
40.	Hedging derivatives	1,652,605,544	1,091,387,959
50.	Value adjustment of financial liabilities subject to macro-hedging (+/-)		
60.	Tax liabilities	503,059,794	297,099,385
	a) current	270,790,893	1,451,098
	b) deferred	232,268,901	295,648,287
70.	Liabilities associated with assets held for sale		
80.	Other liabilities	1,562,419,636	1,018,147,110
90.	Employee severance indemnity	1,558,446	1,451,566
100.	Provisions for risks and charges	754,987,360	796,709,865
	a) commitments and guarantees issued	643,071,415	662,182,695
	b) pension and similar obligations		
	c) other provisions for risks and charges	111,915,945	134,527,170
110.	Revaluation reserves	-16,630,954	-451,011,157
120.	Redeemable shares		
130.	Equity instruments		
140.	Reserves	18,723,827,156	17,602,162,543
150.	Share premium reserve	2,378,517,244	2,378,517,244
160.	Share capital	4,051,143,264	4,051,143,264
170.	Treasury shares (-)	-322,220,116	-322,220,116
180.	Net income (loss) for the year (+/-)	3,074,304,291	2,490,482,609
	Total Liabilities and Equity	**396,281,817,864**	**400,690,312,240**

Income statement

	(euro) **Items**	**2023**	**2022**
10.	Interest income and similar income	11,092,285,499	7,738,935,228
	of which: interest income calculated using the effective interest method	*10,533,271,074*	*8,085,744,428*
20.	Interest expense and similar expense	-7,315,882,779	-5,155,950,767
30.	**Net interest income**	**3,776,402,720**	**2,582,984,461**
40.	Commission income	436,011,326	400,653,666
50.	Commission expense	-1,264,069,138	-1,163,893,992
60.	**Net fee and commission income**	**-828,057,812**	**-763,240,326**
70.	Dividends and similar income	1,960,208,396	1,602,100,779
80.	Net profit (loss) from trading	-82,789,270	-74,962,284
90.	Net profit (loss) from hedging	-19,223,994	102,267,580
100.	Gains (losses) on disposal or repurchase of:	26,577,463	66,499,579
	a) financial assets measured at amortised cost	76,520,997	31,886,788
	b) financial assets measured at fair value through other comprehensive income	-49,943,534	34,612,791
	c) financial liabilities		
110.	Net profit (loss) on financial assets and liabilities measured at fair value through profit or loss	93,360,364	33,908,074
	a) financial assets and liabilities designated at fair value		
	b) other financial assets mandatorily measured at fair value	93,360,364	33,908,074
120.	**Gross income**	**4,926,477,867**	**3,549,557,863**
130.	Net adjustments/recoveries for credit risk of:	66,488,629	14,547,897
	a) financial assets measured at amortised cost	66,051,856	13,237,830
	b) financial assets measured at fair value through other comprehensive income	436,773	1,310,067
140.	Gains/losses from contractual changes without cancellations	-37,622	-39,092
150.	**Net profit (loss) from financial operations**	**4,992,928,874**	**3,564,066,668**
160.	Administrative expenses	-271,422,258	-244,631,565
	a) staff costs	-180,347,985	-161,895,326
	b) other administrative expenses	-91,074,273	-82,736,239
170.	Net allocations to provisions for risks and charges	-3,876,197	52,590,858
	a) commitments and guarantees issued	-16,066,525	52,346,658
	b) other net provisions	12,190,328	244,200
180.	Net adjustments/recoveries on property, plant and equipment	-15,802,734	-16,233,713
190.	Net adjustments/recoveries on intangible assets	-22,204,761	-17,797,728
200.	Other operating income (costs)	50,020,760	-115,769,946
210.	**Operating costs**	**-263,285,190**	**-341,842,094**
220.	Gains (losses) on equity investments	-682,456,111	-101,392,404
230.	Net profit (loss) from fair value measurement of property, plant and equipment and intangible assets		
240.	Value adjustments to goodwill		
250.	Gains (losses) on disposal of investments	-1,868	-6,912
260.	**Profit (loss) from continuing operations before tax**	**4,047,185,705**	**3,120,825,258**
270.	Income tax for the year on continuing operations	-972,881,414	-630,342,649
280.	**Profit (loss) from continuing operations after tax**	**3,074,304,291**	**2,490,482,609**
290.	Profit (loss) from discontinued operations after tax	-	
300.	**Income (loss) for the year**	**3,074,304,291**	**2,490,482,609**

Statement of comprehensive income

	(euro) **Items**	**2023**	**2022**
10.	**Income (loss) for the year**	**3,074,304,291**	**2,490,482,609**
	Other comprehensive income net of taxes without reversal to income statement	**114,590,849**	**(308,723,668)**
20.	Equity securities designated at fair value through other comprehensive income	114,590,849	(308,723,668)
	Other comprehensive income net of taxes with reversal to income statement	**319,789,353**	**(457,435,930)**
120.	Cash flow hedges	(13,352,969)	188,007,690
140.	Financial assets (other than equity securities) measured at fair value through other comprehensive income	333,142,322	(645,443,620)
170.	**Total other comprehensive income net of taxes**	**434,380,202**	**(766,159,598)**
180.	**Comprehensive income (Items 10 + 170)**	**3,508,684,493**	**1,724,323,011**

For the Board of Directors
The Chairperson
Pasquale Salzano

MAKOR

WITH US IN 2024

MAKOR'S PAINTING FACILITIES IN SPAIN

A company operating in the production of machinery and systems for finishing various types of materials, including glass, wood and metal, MAKOR received support through the "Export Subsidy on Supplier Credit" scheme for the export to Spain of a painting system, for an amount of 0.46 million euro.

ANNEX: EQUITY INVESTMENTS AS AT 31 DECEMBER 2024

EUROPE

Company	*Italian Partner*	Country of operation	Sector	SIMEST % share	Amount in euro
Acse Ro Srl	ACSE Srl (in liquidation)	Romania	Electronics/IT	25.0	174,994
Adler Pelzer Swiss AG	Adler Pelzer Holding GmbH	Switzerland	Automotive	16.7	7,000,000
Aie Rus Ooo	Anas International Enterprise SpA (in liquidation)	Russian Federation	Infrastructure and Construction	49.0	2,402,196
Alerion Renewable Ro Srl	Alerion Clean Power SpA, in abbreviated form Alerion SpA	Romania	Renewables	32.7	5,000,144
Alerion Spain SL	Alerion Clean Power SpA, in abbreviated form Alerion SpA	Spain	Renewables	49.0	49,000
Ama Adriatic D.o.o. Sarajevo	A.M.A. SpA	Bosnia and Herzegovina	Mechanical industry	24.4	1,000,000
Ansaldo Energia Switzerland AG	Ansaldo Energia SpA	Switzerland	Mechanical industry	10.5	10,000,000
Bonfiglioli Swiss S.A.	Bonfiglioli SpA	Switzerland	Mechanical industry	0.1	200,000
Cecomp D.o.o.	Cecomp SpA	Slovenia	Automotive	25.0	2,500,000
Cennamo Pet Food D.o.o. Beograd	Cennamo Srl	Serbia	Other industries	19.4	320,000
Cmk Ooo	Cellino Srl	Russian Federation	Metalworking industry	5.6	177,867
Consorzio Casalasco del Pomodoro S. Agr. Coop.	Consorzio Casalasco del Pomodoro S. Agr. Coop.	Italy	Agri-food	25.0	15,000,000
D Print Europe Sh.p.k.	D'Auria Printing SpA	Albania	Other industries	25.0	500,000
Delma Constructions CH SA	Icm SpA	Switzerland	Infrastructure and Construction	24.4	2,000,000
Delma Engineering UK Limited	Icm SpA	United Kingdom	Infrastructure and Construction	44.6	8,478,891
Dorotex Srl	Antica Rocca Filati Srl (in liquidation)	Romania	Textiles	25.3	980,000
Doxee Cee Gmbh	Doxee SpA	Austria	Electronics/IT	21.3	1,000,000
Drymon Srl	Agroalimentare F.lli Monaldi SpA	Romania	Agri-food	24.5	2,940,000
Ediltec D.o.o.	Decem Srl	Croatia	Chemical/ Petrochemical	22.0	498,806
Farest Rt	Studio Legale De Capoa Guiducci e Associati	Hungary	Non-financial services	25.0	21,983
Ferrarini Sp. Z o.o.	Società Agricola Ferrarini SpA; Ferrarini SpA	Poland	Agri-food	30.5	5,000,000
Filmmaster Events Limited	Filmmaster Partecipazioni Srl, in abbreviated form Filmmaster Part.	United Kingdom	Non-financial services	11.8	783,177
Foneast Srl	Filatura Fontanella SpA (in liquidation)	Romania	Textiles	16.8	2,113,076
Gds Manufacturing Services SA	Global Display Solutions SpA	Romania	Electronics/IT	19.4	2,500,000
Gruppo PSC SpA	PSC Partecipazioni SpA	Italy	Infrastructure and Construction	9.6	11,000,000
Gvm Poland Sp. Z o.o.	Gruppo Villa Maria SpA or also G.V.M. SpA	Poland	Non-financial services	22.0	1,223,125
IMR-Industrialesud SpA	IMR-Industrialesud SpA; H.G. Srl	Italy	Automotive	18.8	7,500,000
Incoming Italia SpA	The RS Holding Srl	Italy	Non-financial services	14.6	1,500,000
ITM India Srl	Italtractor ITM SpA	Italy	Mechanical industry	49.0	1,274,000
La Linea Verde D.o.o.	La Linea Verde Società Agricola SpA	Serbia	Agri-food	24.2	1,000,000
Lucart Hygiene Limited	Lucart SpA	United Kingdom	Other industries	18.5	3,000,000
Ma Automotive Deutschland GmbH	MA Srl	Germany	Automotive	19.5	5,000,000
MA Srl	C.L.N. - Coils Lamiere Nastri SpA abbreviated C.L.N. SpA	Italy	Automotive	7.7	8,000,000
Maccaferri Gabions Cis Ooo	Officine Maccaferri SpA	Russian Federation	Metalworking industry	12.7	1,591,796
Marais Technologies	Tesmec SpA	France	Metalworking industry	34.0	3,999,999
Marcegaglia (UK) Ltd	Marcegaglia Carbon Steel SpA	United Kingdom	Metalworking industry	13.6	8,000,000

EUROPE

Company	*Italian Partner*	Country of operation	Sector	SIMEST % share	Amount in euro
Marcegaglia Poland Spòlka Z o.o.	Marcegaglia Carbon Steel SpA	Poland	Metalworking industry	7.8	2,003,817
Marcegaglia Tr Paslanmaz Celik Sanayi Ve Ticaret Anonim Sirketi	Marcegaglia Specialties SpA	Turkey	Metalworking industry	49.0	7,400,000
Marnavi Chem Srl	Marnavi SpA	Italy	Non-financial services	44.4	4,500,000
Met Dev 1 Srl	MET Development SpA	Italy	Chemical/ Petrochemical	49.0	14,900,000
Novi Tekstili D.o.o.	Norman International SpA	Serbia	Textiles	32.7	2,008,112
O.M.A. - Officina Metalmeccanica Angelucci SpA	Angelucci Holding Srl	Italy	Mechanical industry	27.0	10,000,000
Ooo Fondital	Fondital SpA	Russian Federation	Mechanical industry	8.3	1,007,823
Ooo Old Mill Kholding	Old Mill Holding SpA	Russian Federation	Chemical/ Petrochemical	33.0	1,238,000
Oxyrom Srl	Ossygeno Srl	Romania	Textiles	19.8	60,000
P & T Design D.o.o.	Plados SpA; Delta Srl	Serbia	Infrastructure and Construction	14.0	384,979
Pasta Zara SpA	Ffauf Italia SpA	Italy	Agri-food	13.7	11,000,000
Paypermoon Italia Srl	Aislin Srl	Italy	Other industries	13.8	600,000
Pelliconi Asia Pacific Srl	Pelliconi & C. SpA	Italy	Metalworking industry	49.0	4,900,000
PLT Spagna SL	Eni Plenitude Wind & Energy Srl	Spain	Renewables	24.5	24,500
PMC Automotive D.o.o.	Proma SpA	Serbia	Automotive	6.8	2,250,000
Prestat Group Ltd	Domori SpA	United Kingdom	Agri-food	7.6	600,000
Prima Components Europe Srl	Prima Sole Components SpA	Italy	Automotive	23.2	7,500,000
Proma Poland Sp. Z.o.o.	Proma Ssa Srl	Poland	Automotive	16.4	6,000,000
Renco Power Cjsc	Renco SpA	Armenia	Electrical industry	17.9	9,000,000
Roter Romania Srl	Roter SpA (in liquidation)	Romania	Mechanical industry	22.4	1,114,537
Acse Ro Srl	ACSE Srl	Romania	Electronics/IT	25.0	174,994
Adler Pelzer Swiss AG	Adler Pelzer Holding GmbH	Switzerland	Automotive	16.7	7,000,000
Aie Rus Ooo	Anas International Enterprise SpA	Russian Federation	Infrastructure and Construction	49.0	2,402,196
Alerion Renewable Ro Srl	Alerion Clean Power SpA	Romania	Renewables	32.7	5,000,144
Alerion Spain SL	Alerion Clean Power SpA	Spain	Renewables	49.0	49,000
Ama Adriatic D.o.o. Sarajevo	A.m.a. SpA	Bosnia and Herzegovina	Mechanical industry	24.4	1,000,000
Ansaldo Energia Switzerland AG	Ansaldo Energia SpA	Switzerland	Mechanical industry	10.5	10,000,000
Bonfiglioli Swiss SA	Bonfiglioli SpA	Switzerland	Mechanical industry	0.1	200,000
Cecomp D.o.o.	Cecomp SpA	Slovenia	Automotive	25.0	2,500,000
Cennamo Pet Food Doo Beograd	Cennamo Srl	Serbia	Other industries	19.4	320,000
Cmk Ooo	Cellino Srl	Russian Federation	Metalworking industry	5.6	177,867
Consorzio Casalasco del Pomodoro Società Agricola Cooperativa	Consorzio Casalasco del Pomodoro Società Agricola Cooperativa	Italy	Agri-food	25.0	15,000,000
D Print Europe Sh.p.k.	D'auria Printing SpA	Albania	Other industries	25.0	500,000
Delma Constructions Ch SA	Icm SpA	Switzerland	Infrastructure and Construction	24.4	2,000,000
Delma Engineering UK Limited	Icm SpA	United Kingdom	Infrastructure and Construction	44.6	8,478,891
Dorotex Srl	Antica Rocca Filati Srl	Romania	Textiles	25.3	980,000
Doxee Cee Gmbh	Doxee SpA	Austria	Electronics/IT	21.3	1,000,000

EUROPE

Company	*Italian Partner*	Country of operation	Sector	SIMEST % share	Amount in euro
Drymon Srl	Agroalimentare F.lli Monaldi SpA	Romania	Agri-food	24.5	2,940,000
Ediltec D.o.o.	Ediltec Insulation SpA	Croatia	Chemical/ Petrochemical	22.0	498,806
Fareast RT	Studio Legale De Capoa E Associati	Hungary	Non-financial services	25.0	21,983
Ferrarini Sp.zo.o.	Società Agricola Ferrarini SpA	Poland	Agri-food	30.5	5,000,000
Filmmaster Events Limited	Filmmaster Partecipazioni Srl	United Kingdom	Non-financial services	11.8	783,177
Foneast Srl	Filatura Fontanella SpA	Romania	Textiles	16.8	2,113,076
Gds Manufacturing Services SA	Global Display Solutions SpA	Romania	Electronics/IT	19.4	2,500,000
Gvm Poland Sp. Z O.o.	Gruppo Villa Maria SpA or also G.v.m. SpA	Poland	Non-financial services	22.0	1,223,125
Incoming Italia SpA	The Rs Holding Srl	Italy	Non-financial services	14.6	1,500,000
La Linea Verde D.o.o.	La Linea Verde Società Agricola SpA	Serbia	Agri-food	24.2	1,000,000
Lucart Hygiene Limited	Lucart SpA	United Kingdom	Other industries	18.5	3,000,000
MA Automotive Deutschland GmbH	MA Srl	Germany	Automotive	19.5	5,000,000
Marcegaglia (UK) Ltd	Marcegaglia Carbon Steel SpA	United Kingdom	Metalworking industry	13.6	8,000,000
Marcegaglia Poland Spòlka Z.o.o.	Marcegaglia Carbon Steel SpA	Poland	Metalworking industry	7.8	2,003,817
Marcegaglia Tr Paslanmazcelik Sanayi Ve Ticaret Anonim Sirketi	Marcegaglia Specialties SpA	Turkey	Metalworking industry	15.3	7,400,000
Marnavi Chem Srl	Marnavi SpA	Italy	Non-financial services	44.4	4,500,000
Met Dev 1 Srl	Met Development SpA	Italy	Chemical/ Petrochemical	49.0	14,900,000
Novi Tekstili Doo	Norman International SpA	Serbia	Textiles	32.7	2,008,112
O.M.A. - Officina Metalmeccanica Angelucci SpA	Angelucci Holding Srl	Italy	Mechanical industry	27.0	10,000,000
Ooo Fondital	Fondital SpA	Russian Federation	Mechanical industry	8.3	1,007,823
Ooo Old Mill Kholding	Old Mill Holding SpA	Russian Federation	Chemical/ Petrochemical	33.0	1,238,000
Oxyrom Srl	Ossygeno Srl	Romania	Textiles	19.8	60,000
P & T Design D.o.o.	Plados SpA; Delta Srl	Serbia	Infrastructure and Construction	14.0	384,979
Pmc Automotive D.o.o.	Proma SpA	Serbia	Automotive	6.8	2,250,000
Prestat Group Ltd	Domori SpA	United Kingdom	Agri-food	7.6	600,000
Prima Components Europe Srl	Prima Sole Components SpA	Italy	Automotive	23.2	7,500,000
Proma Poland Sp. Z O.o.	Proma S.s.a. Srl	Poland	Automotive	16.4	6,000,000
Renco Power Cjsc	Renco SpA	Armenia	Electrical industry	17.9	9,000,000
Roter Romania Srl	Roter SpA in liquidation	Romania	Mechanical industry	22.4	1,114,537
S.c. Ghimar Srl	International Company Srl (in liquidation)	Romania	Non-financial services	14.9	150,080
S.C. W.S.C. (World Startel Communications Europa) S.a.	World Startel Communications Srl (in liquidation)	Romania	Telecommunications	15.0	151,500
Sapa Espana Sl.	Sapa SpA	Spain	Automotive	24.5	1,500,000
Sapa Polska Sp. Z O.o.	Sapa SpA	Poland	Automotive	21.7	2,000,000
Serioplast Ambalaj Sanayi Ve Ticaret Anonim Sirketi	Serioplast Global Services SpA	Turkey	Chemical/ Petrochemical	16.9	2,000,000
Serioplast Rus, Ooo	Serioplast Global Services SpA	Russian Federation	Chemical/ Petrochemical	33.9	1,360,000
Sigit Poland Sp. Z O.o.	S.i.g.i.t. - Società Italiana Gomma Industriale Torino SpA	Poland	Chemical/ Petrochemical	15.9	1,750,000

EUROPE

Company	*Italian Partner*	Country of operation	Sector	SIMEST % share	Amount in euro
Spitali Europian	Gruppo Villa Maria SpA	Albania	Non-financial services	11.5	400,000
Stahl Gerlafingen Ag	AFV Acciaierie Beltrame SpA	Switzerland	Metalworking industry	10.8	12,000,000
Sujica-Terni D.o.o. Za Proizvodnju I Promet Drvetom	Società Ternana Investimenti Internazionali Srl	Bosnia and Herzegovina	Other industries	11.7	150,000
Terra Moretti SpA	Holding Terra Moretti Srl	Italy	Agri-food	5.7	4,800,000
Tiberina Poland Sp. Z O.o.	Tiberina Holding Srl	Poland	Automotive	8.6	1,500,000
Vismara SpA	Ferrarini SpA; Società Agricol Ferrarini SpA	Italy	Agri-food	13.5	5,000,000
Wagon Automotive Nagold Gmbh	Metalmeccanica Tiberina Srl	Germany	Automotive	21.9	7,000,000
Ma Srl	C.L.N. Coils Lamiere Nastri SpA	Italy	Automotive	7.7	8,000,000
Gruppo Psc SpA	Ua Partecipazioni Srl	Italy	Infrastructure and Construction	9.6	11,000,000
Imr-Industrialesud SpA	Imr-Industrialesud SpA; H.g. Srl	Italy	Automotive	18.8	7,500,000
Paypermoon Italia Srl	Aislin Srl	Italy	Other industries	13.8	600,000
Donati France	Donati SpA	France	Trade	8.0	500,000
Eusider Welded Tubes Gmbh	Eusider SpA	Germany	Metalworking industry	2.5	5,000
Promens Zevenaar B.v.	Sapa SpA	The Netherlands	Automotive	18.4	3,000,000
Bf International Best Fields Best Food Limited	B.f. SpA	United Kingdom	Agri-food	0.4	1,250,000
Busforfun.ch Sa	Busforfun.com Srl	Switzerland	Other industries	23.2	948,823
Phse Germany Gmbh	Phse International Srl; Phse Srl	Germany	Non-financial services	10.6	800,000
Grastim Uk Ltd	Grastim J.v. Srl	United Kingdom	Electrical industry	24.5	300,734
Reedijk Bidco B.v.	Anassagora Holding SpA	The Netherlands	Automotive	7.0	1,200,000
Mint France	Mint SpA	France	Electronics/IT	21.0	750,000
TOTAL EUROPE					**235,946,664**

AMERICA

Company	*Italian Partner*	Country of operation	Sector	Share SIMEST %	Amount in euro
Abet USA Inc.	Abet SpA	United States of America	Chemical/Petrochemical	6.5	1,750,000
Antinori California	Marchesi Antinori SpA	United States of America	Agri-food	0.5	500,000
Arvedi Metalfer do Brasil S.A.	Arvedi Tubi Acciaio SpA; Metalfer SpA	Brazil	Metalworking industry	6.5	9,127,000
Astaldi Construction Corporation	Webuild SpA	United States of America	Infrastructure and Construction	34.2	6,308,883
Brita S.A.	Almaviva - The Italian Innovation Company SpA	Brazil	Electronics/IT	16.8	10,400,000
Broadcast Global Investmenti Inc.	Elenos Srl	United States of America	Electronics/IT	49.0	1,255,766
Bruschitech Usa Inc.	Bruschi Srl	United States of America	Metalworking industry	46.0	1,893,805
Buoninfante Usa Inc.	Gruppo Industriale Buoninfante SpA	United States of America	Other industries	24.5	1,337,730
C Imm Sudamerica Sa	Imi Real Estate Srl	Argentina	Mechanical industry	19.2	500,000
Cms Waynesboro Llc	C.m.s. SpA	United States of America	Automotive	49.0	3,453,136
Coes Sudamerica S.a.	Coes SpA - (in liquidation)	Argentina	Mechanical industry	13.6	620,923
Cogne Mexico S.a. de C.V.	Cogne Acciai Speciali SpA, in abbreviated form C.a.s. SpA or Cogne SpA	Mexico	Metalworking industry	1.1	1,005,852
Cornaglia do Brasil Participacoes Ltda	Officine Metallurgiche G. Cornaglia SpA abbreviated Cornaglia SpA	Brazil	Automotive	17.7	800,000
DFV Color Sul Ltda	D.F.V. Srl	Brazil	Metalworking industry	24.5	631,253
Doxee Usa Inc.	Doxee SpA	United States of America	Electronics/IT	49.0	1,121,102
Ducati Energia do Brasil Ltda	Ducati Energia SpA	Brazil	Mechanical industry	23.9	515,877
Ecopol America Inc.	Ecopol SpA	United States of America	Chemical/Petrochemical	5.2	285,687
Eldor Holding North America Inc.	Eldor Corporation SpA	United States of America	Automotive	15.1	6,939,460
Energia Pacifica Inc.	Energie Valsabbia SpA	United States of America	Renewables	48.9	1,897,827
Enerray Global Solar Opportunities Inc.	Enerray Srl	United States of America	Renewables	49.0	9,362,079
Eni Plenitude Investment Colombia Sas	Eni Plenitude Renewables Italy SpA	Colombia	Renewables	24.5	1,750,000
Entreprises Importfab Inc.	Labomar SpA	Canada	Other industries	17.2	2,075,712
Euro High Tech Mexico S.A. de C.V.	Eurotranciatura SpA	Mexico	Metalworking industry	23.3	3,861,066
Fagioli Inc.	Fagioli SpA	United States of America	Non-financial services	9.3	750,000
Fitt North America Holding Inc.	Fitt SpA Single-member company	United States of America	Chemical/Petrochemical	24.5	1,595,025
Flenco De Mexico Sa De Cv	Flenco Fluid System Srl	Mexico	Mechanical industry	7.4	383,331
Fluorseals America Inc.	Fluorseals SpA	United States of America	Chemical/Petrochemical	23.1	969,936
Fridyn Corp	Friem SpA	United States of America	Mechanical industry	14.7	500,000
Fugesco Inc.	Meccanotecnica Umbra SpA	Canada	Mechanical industry	48.9	1,296,835
Geo Investment Holding Inc.	Exergy Srl	United States of America	Renewables	49.0	6,312,663
Goglio Holding Latam Ltda	Goglio SpA	Brazil	Other industries	7.3	1,200,000
Gpi Usa Inc.	Gpi SpA	United States of America	Electronics/IT	30.0	3,000,000
Granarolo Usa Corp.	Granarolo SpA	United States of America	Agri-food	29.0	6,000,000

AMERICA

Company	*Italian Partner*	Country of operation	Sector	Share SIMEST %	Amount in euro
Grastim Us	Grastim J.v. Srl	United States of America	Electrical industry	39.2	1,728,090
Gualapack Brasil Industria e Comercio S.A.	Guala Pack SpA	Brazil	Other industries	8.3	2,500,000
Irritec Chile S.A.	Irritec SpA	Chile	Chemical/Petrochemical	24.5	1,450,000
Irritec México Sistemas de Riego S.a. de C.v.	Irritec SpA	Mexico	Chemical/Petrochemical	9.0	1,500,000
Legnano Teknoelectric Company North America Inc.	Legnano Teknoelectric Company SpA	Canada	Mechanical industry	6.2	2,574,665
M&G Logistics & Engineering	M & G Finanziaria SpA	United States of America	Chemical/Petrochemical	37.7	10,843,147
MA Automotive Argentina S.a.	MA Srl	Argentina	Automotive	39.7	2,500,000
Magnaghi Aeronautica Usa Inc.	Magnaghi Aeronautica SpA	United States of America	Aeronautics	48.5	7,000,000
Marcegaglia Mexico S. de R.l. de C.v.	Marcegaglia Carbon Steel SpA	Mexico	Metalworking industry	40.6	5,000,000
Medica Usa Inc.	Medica SpA	United States of America	Other industries	15.0	407,314
Microtec Usa Inc.	Microtec Srl	United States of America	Mechanical industry	25.1	4,178,569
Mintaim S De Rl de Cv	Sasch SpA	Mexico	Textiles	17.9	1,696,526
Miscela D'oro Usa Inc.	Miscela D'oro SpA	United States of America	Agri-food	48.7	597,949
Nice Brasil Indústria e Comércio de Eletrônicos e Automação Ltda	Nice SpA	Brazil	Other industries	9.3	4,150,000
Omp Mechtron Mexico S.a. De C.v.	Omp Mechtron Srl	Mexico	Electrical industry	22.2	191,213
Omr North America Inc.	Omr Holding SpA	United States of America	Automotive	12.2	1,686,197
Operadora Erogi Sa De Cv	Small Building Srl	Mexico	Non-financial services	30.4	611,735
Poligof Mexico S.a. De C.v.	Poligof SpA	Mexico	Other industries	24.5	886,174
Progetti America S.a. De C. V.	Progetti Srl	Mexico	Mechanical industry	19.9	160,033
Proma Ssa S.a.	Proma SpA	Argentina	Automotive	7.4	750,000
Psc America SpA	Gruppo Psc SpA	Chile	Infrastructure and Construction	16.7	1,500,000
Saleri México S.a. De C.v.	Industrie Saleri Italo SpA	Mexico	Automotive	24.4	1,000,000
Scl do Brasil Importacao e Comercio Ltda	Scl Italia SpA	Brazil	Chemical/Petrochemical	33.8	3,145,000
Serioplast Us Llc	Serioplast Global Services SpA	United States of America	Chemical/Petrochemical	47.0	5,000,000
Sfembiopharma Inc.	Sfem Italia Srl	United States of America	Chemical/Petrochemical	34.4	19,668,214
Sipcam Argentina Srl	Sipcam Oxon SpA	Argentina	Chemical/Petrochemical	9.0	1,000,000
Socage do Brasil Industria e Comercio de Equipamentos Ltda	Socage Srl	Brazil	Mechanical industry	22.2	400,000
Soilmec do Brasil S A	Soilmec SpA; Colli Drill SpA	Brazil	Infrastructure and Construction	22.8	568,043
Taro Plast Us Inc.	Taro Plast - SpA	United States of America	Chemical/Petrochemical	13.6	632,544
Tecnoform Usa Inc.	Tecnoform SpA	United States of America	Other industries	15.2	442,559
The Placemakers do Brasil Participacoes Ltda	Metalco Srl	Brazil	Mechanical industry	24.5	693,141
Thesan Usa Corp.	Savio Thesan Group SpA	United States of America	Mechanical industry	49.0	1,750,000
Tiberina Detroit Inc.	Tiberina Holding Srl	United States of America	Automotive	7.8	1,500,000

AMERICA

Company	*Italian Partner*	Country of operation	Sector	Share SIMEST %	Amount in euro
Venchi Us Inc.	Venchi SpA	United States of America	Agri-food	18.0	1,750,000
Zordan Usa Inc.	Zordan Immobili & Partecipazioni Srl	United States of America	Other industries	15.4	462,406
Apeg 2023 Inc.	Vetagro International Srl	United States of America	Agri-food	23.5	1,000,000
Apeg International Inc.	Vetagro International Srl	United States of America	Agri-food	24.2	2,014,925
Poggipolini Usa Inc.	Poggipolini SpA	United States of America	Mechanical industry	6.5	761,741
Mecaer Amérique Inc.	Mecaer Aviation Group SpA	Canada	Aeronautics	2.7	1,710,325
Nest Wealth Holdings Inc.	Objectway SpA	Canada	Electronics/IT	4.8	1,000,000
Kysor/Warren de México S. De R.l. De C.v.	Epta SpA	Mexico	Mechanical industry	88.4	5,000,000
Roncadin Holding Usa Corp.	Roncadin SpA Sb	United States of America	Agri-food	6.5	1,444,530
TOTAL AMERICA					**192,255,989**

ASIA

Company	*Italian Partner*	Country of operation	Sector	Share SIMEST %	Amount in euro
Aircom (Zhejiang) General Equipment Manufacturing Co. Ltd	Baglioni SpA	China	Mechanical industry	16.7	854,628
Artile Roof Ltd	Cunial Antonio I.L.C.A. Srl	Israel	Infrastructure and Construction	10.6	866,668
Atura Industries Ltd	Albis International Srl	Israel	Consumer goods	24.5	1,517,036
Bellelli Emirates Engineering General Contracting Llc	Bellelli Engineering Srl	UAE	*Oil & Gas*	20.0	408,612
Bhoruka Specialty Gases Private Limited	SOL SpA	India	Chemical/ Petrochemical	4.6	2,600,000
Black Share DMCC	Coleman SpA	UAE	Non-financial services	49.0	2,071,585
Clabo Pacific Holding Limited	Clabo SpA	China	Mechanical industry	25.0	1,075,000
Comem (Hefei) Transformers Equipments Ltd	COMEM SpA	China	Electrical industry	24.5	367,500
Contempo Furniture (Shanghai) Co. Ltd	Pdc SpA (in liquidation)	China	Other industries	25.0	1,475,791
Decal In - Italian Graphics Industry Private Limited	Serigrafia '76 Srl	India	Other industries	21.0	75,000
Engineering Projects Ltd	Montalbano Srl	UAE	Mechanical industry	49.0	455,000
Euro Group Asia Ltd	Euro Group SpA	China	Metalworking industry	33.3	6,134,821
Fabi Asia Limited	Fabi SpA	China	Textiles	25.0	500,000
Ferrarini Pacific Ltd	Società Agricola Ferrarini SpA; Ferrarini SpA	China	Agri-food	49.1	4,970,378
Fiamm Autotech Co. Ltd	Elettra 1938 SpA	China	Electrical industry	22.9	4,000,000
Finnord Suzhou Auto Parts Co. Ltd	Meccanica Finnord SpA	China	Mechanical industry	11.5	252,000
Flenco Huashen Automobile Tools Co.	CA Srl	China	Mechanical industry	25.0	500,000
Flenco Ningbo Power Auxiliary Equipment & Systems Co. Ltd	Flenco Fluid System Srl	China	Mechanical industry	12.5	500,229
Fluorseals Asia Manufacturing Co. Ltd	Fluorseals SpA	China	Chemical/ Petrochemical	22.8	618,714
Frascold Refrigeration (Taizhou) Co. Ltd	Frascold SpA	China	Mechanical industry	25.0	1,096,817
Goglio (Tianjin) Packaging Co. Ltd	Gopack Promotion SpA	China	Other industries	11.1	3,091,327
Green Asu Plant Private Limited	SOL SpA	India	Chemical/ Petrochemical	39.5	12,400,000
Hangzhou Dragon-Light Electron Co. Ltd	Wiva Group Srl	China	Electrical industry	24.5	248,411
IMF Foundry Machinery (Tianjin) Co. Ltd	I.M.F. Impianti Macchine Fonderia Srl	China	Mechanical industry	25.0	625,000
IT Frames (Shanghai) Co. Ltd	IT Frames Srl	China	Other industries	18.0	282,500
Master Middle East - Fzco	Master Srl	UAE	Other industries	24.0	300,000
Meccanotecnica India Private Limited	Meccanotecnica Umbra SpA	India	Mechanical industry	28.5	1,406,082
Metecno Holding Hong Kong Ltd	Metecno SpA	China	Infrastructure and Construction	11.2	787,099
Peuterey Hong Kong	Pth Srl	China	Textiles	28.2	1,550,000
Saleri India Private Limited	Industrie Saleri Italo SpA	India	Automotive	24.2	850,000
Seco Asia Limited	Seco SpA	China	Electronics/IT	27.6	1,930,000

ASIA

Company	*Italian Partner*	Country of operation	Sector	Share SIMEST %	Amount in euro
SEKO Saudi Arabia Company for Industry Llc	Seko SpA	Saudi Arabia	Mechanical industry	24.5	292,076
Shanghai Camozzi Automation Control Co Ltd	Camozzi Automation SpA	China	Mechanical industry	12.0	1,835,000
Shanghai Camozzi Pneumatic Control Components Co Ltd	Camozzi Automation SpA	China	Mechanical industry	12.0	945,000
Shaoxing Bepping Glassware Co. Ltd	Glaxko Srl bankrupt	China	Infrastructure and Construction	12.0	250,506
SIRA (Tianjin) Aluminium Products Co. Ltd	SIRA Industrie SpA	China	Metalworking industry	18.3	2,382,713
Sitindustrie Tubes & Pipes (Foshan) Co Ltd	Sitindustrie Tubes & Pipes Srl	China	Metalworking industry	17.0	666,258
Soilmec (Wujiang) Machinery Co. Ltd	Soilmec SpA	China	Infrastructure and Construction	24.5	1,470,000
Stranich Fans and Duscon India Private Limited	Aeromeccanica Stranich SpA	India	Mechanical industry	24.3	610,000
Suxia Estate & Co. Ltd	Clam Srl; Investa Srl Unipersonale	China	Infrastructure and Construction	14.0	1,960,688
Techno System India Pvt.ltd	Tecno System SpA	India	Electrical industry	24.0	544,455
Tecnocap Oriental Private Limited	Tgp Tecnocap Group Partecipazioni Srl	India	Mechanical industry	10.0	257,740
Terruzzi Fercalx India Limited	Lombardia Impianti Srl	India	Mechanical industry	7.6	537,400
Titan-Itm (Tianjin) Co. Ltd	Italtractor Itm SpA	China	Mechanical industry	25.0	1,000,000
U.B.C. Far East Limited	Combo SpA	China	Textiles	24.4	202,162
Vetrerie Riunite (Hong Kong) Company Limited	Vetrerie Riunite SpA	China	Other industries	22.1	2,250,000
Wuxi Gear Tech Co. Ltd	Capi Group Srl	China	Mechanical industry	11.3	770,000
Zhejiang Elleci New Material Co. Ltd	Elleci SpA	China	Chemical/ Petrochemical	20.9	297,500
Italiacamp Emea Fze	Italiacamp Srl	UAE	Non-financial services	1,177.0	288,415
Reefcap Tecnocap Industry Llc	Tgp Tecnocap Group Partecipazioni Srl	Saudi Arabia	Mechanical industry	10.0	100,000
Zoppas Industries Jiaxing Ltd	I.r.c.a. SpA Industria Resistenze Corazzate e Affini	China	Electrical industry	3.6	3,000,000
Sipa Industries Jiaxing Ltd	S.i.p.a. Società Industrializzazione Progettazione e Automazione SpA	China	Electrical industry	10.0	2,000,000
TOTAL ASIA					**75,470,111**

AFRICA

Company	*Italian Partner*	Country of operation	Sector	Share SIMEST %	Amount in euro
Afreco Sàrl	R.I. SpA	Djibouti	Infrastructure and Construction	24.5	491,000
Eurotranciatura Tunisia Sàrl	Eurogroup Laminations SpA	Tunisia	Metalworking industry	31.7	3,000,000
Fri-El Ethiopia Farming & Processing Plc	Ener.fin Srl	Ethiopia	Renewables	26.2	2,500,000
Fuda Marble Plc	Fuda Antonio Srl	Ethiopia	Infrastructure and Construction	20.5	125,000
Instant Rentals for Vehicles S.a.e.	J.a.z. Investment Group Srl; International Service Development Srl, in short I.s.d. Srl (in liquidation)	Egypt	Non-financial services	18.5	483,815
International Environment Services Co.	Gesenu Gestione Servizi Nettezza Urbana SpA	Egypt	Water, Environment, Urban Services	5.4	240,175
Ma Automotive South Africa Pty. Ltd	MA Srl	South African Republic	Automotive	4.6	6,819,924
Mista Tunisia	Mista - Minuterie E Stampi SpA	Tunisia	Mechanical industry	22.1	600,000
Mountain Organic Kiwi Company Pty Ltd	Agricollibio Srl	South African Republic	Agri-food	16.7	500,000
Omh South Africa Pty Ltd	Old Mill Holding SpA	South African Republic	Chemical/ Petrochemical	32.7	2,000,000
Proma Industrie Sàrl	Proma SpA; Proma S.s.a. Srl	Morocco	Automotive	29.1	5,182,418
Renco Moz Green Lda	Renco SpA	Mozambique	Renewables	21.8	1,000,000
Simto Limited	Tozzi Green SpA	Mauritius Islands	Renewables	40.0	6,500,000
Sipa Holdings Ltd	P.a.c. SpA, in abbreviated form Pac SpA	Uganda	Renewables	0.5	53,846
Tesmec Sa (Pty) Ltd	Tesmec SpA	South African Republic	Mechanical industry	33.3	1,955,761
TOTAL AFRICA					**31,451,939**

OCEANIA

Company	*Italian Partner*	Country of operation	Sector	Share SIMEST %	Amount in euro
F.P Australia Holdings Pty. Limited	Faresin Formwork SpA	Australia	Metalworking industry	49.0	1,488,000
Serioplast Australia Pty Ltd	Serioplast Global Services SpA	Australia	Chemical/Petrochemical	48.0	2,500,000
Tesmec Australia Pty Ltd	Tesmec SpA	Australia	Mechanical industry	49.0	1,843,260
TOTAL OCEANIA					**5,831,260**

SHAREHOLDER LOAN

Company	*Italian Partner*	Country of operation	Sector	Amount in euro
Abet Usa Inc.	Abet SpA	United States of America	Chemical/ Petrochemical	1,750,000
Alerion Renewable Ro Srl	Alerion SpA	Romania	Renewables	4,999,857
Alerion Spain Sl	Alerion Clean Power SpA, in abbreviated form Alerion SpA	Spain	Renewables	9,951,000
Antinori California	Marchesi Antinori SpA, abbreviated C.d.s. SpA or Cantine Santa Cristina SpA	United States of America	Agri-food	3,535,714
Bonfiglioli Swiss Sa	Bonfiglioli SpA	Switzerland	Mechanical industry	6,271,079
Brita S.a.	Almaviva SpA	Brazil	Electronics/IT	2,600,000
Cecomp D.o.o.	Cecomp SpA	Slovenia	Automotive	1,240,911
Cennamo Pet Food Doo Beograd	Cennamo Srl	Serbia	Agri-food	480,000
Cogne Mexico S.a. De C.v.	Cogne Acciai Speciali SpA, in abbreviated form C.a.s. SpA or Cogne SpA	Mexico	Metalworking industry	894,731
Cornaglia Do Brasil Participacoes Ltda	Officine Metallurgiche G. Cornaglia SpA abbreviated Cornaglia SpA	Brazil	Automotive	350,000
Dfv Color Sul Ltda	Dvf SpA	Brazil	Metalworking industry	484,273
Doxee Cee Gmbh	Doxee SpA	Austria	Electronics/IT	1,000,000
Ducati Energia Do Brasil Ltda	Ducati Energia SpA	Brazil	Mechanical industry	8,484,123
Ecopol America Inc.	Ecopol SpA	United States of America	Chemical/ Petrochemical	3,177,801
Ediltec D.o.o.	Decem Srl	Croatia	Chemical/ Petrochemical	400,955
Euro Group Asia Ltd	Euro Group SpA	China	Metalworking industry	7,650,000
Filmmaster Events Limited	Filmmaster Partecipazioni Srl	United Kingdom	Non-financial services	735,781
Fitt North America Holding Inc.	Fitt SpA Single-member company	United States of America	Chemical/ Petrochemical	2,404,975
Fridyn Corp	Friem SpA	United States of America	Mechanical industry	400,000
Goglio Holding Latam Ltda	Goglio SpA or in extended form Goglio Luigi Milano SpA	Brazil	Other industries	1,800,000
Gvm Poland Sp. Z O.o.	Gruppo Villa Maria SpA or also G.v.m. SpA	Poland	Non-financial services	666,667
Legnano Teknoelectric Company North America Inc.	Legnano Teknoelectric Company SpA	Canada	Mechanical industry	2,500,000
Medica Usa Inc.	Medica SpA	United States of America	Other industries	542,686
OMR North America Inc.	OMR Holding SpA	United States of America	Automotive	2,579,226
Pmc Automotive D.o.o.	Proma SpA	Serbia	Automotive	2,250,000
Poligof Mexico S.a. De C.v.	Poligof SpA	Mexico	Other industries	228,370
Prestat Group Ltd	Domori SpA	United Kingdom	Agri-food	514,286
Proma Poland Sp. Z o.o.	Proma S.s.a. Srl	Poland	Automotive	1,800,000
SCL do Brasil Importacao e Comercio Ltda	SCL Italia SpA	Brazil	Chemical/ Petrochemical	900,351
Simto Limited	Tozzi Green SpA	Mauritius Islands	Renewables	2,000,000

SHAREHOLDER LOAN

Company	*Italian Partner*	Country of operation	Sector	Amount in euro
Sira (Tianjin) Aluminium Products Co. Ltd	Sira Industrie SpA	China	Metalworking industry	1,028,828
Socage Do Brasil Industria e Comercio de Equipamentos Ltda	Socage Srl	Brazil	Mechanical industry	600,000
Spitali Europian	Gruppo Villa Maria SpA or also G.V.M. SpA	Albania	Non-financial services	436,364
Tecnocap Oriental Private Limited	Tgp Tecnocap Group Partecipazioni Srl	India	Mechanical industry	1,100,000
Tecnoform Usa Inc.	Tecnoform SpA	United States of America	Other industries	557,441
Vetrerie Riunite (Hong Kong) Company Limited	Vetrerie Riunite SpA	China	Other industries	1,451,137
Zordan Usa, Inc.	Zordan Srl Società Benefit, in abbreviated form Zordan Srl Sb	United States of America	Other industries	159,774
Donati France	Donati SpA	France	Trade	1,000,000
Apeg2023 Inc.	Vetagro International Srl	United States of America	Agri-food	1,000,000
Apeg International Inc.	Vetagro International Srl	United States of America	Agri-food	985,075
Poggipolini Usa Inc.	Poggipolini SpA	United States of America	Mechanical industry	1,738,259
Eusider Welded Tubes Gmbh	Eusider SpA	Germany	Metalworking industry	2,245,833
Mecaer Amérique Inc.	Mecaer Aviation Group SpA, in short Mag SpA	Canada	Aeronautics	750,000
Nest Wealth Holdings Inc.	Objectway SpA	Canada	Electronics/IT	1,818,182
Italiacamp Emea Fze	Italiacamp Srl	UAE	Non-financial services	311,585
BF International Best Fields Best Food Limited	B.F. SpA	United Kingdom	Agri-food	3,750,000
Reefcap Tecnocap Industry Llc	TGP Tecnocap Group Partecipazioni Srl	Saudi Arabia	Mechanical industry	2,300,000
Phse Germany Gmbh	Phse International Srl; Phse Srl	Germany	Non-financial services	2,000,000
Grastim Uk Ltd	Grastim J.v. Srl	United Kingdom	Electrical industry	299,266
Reedijk Bidco B.v.	Anassagora Holding Srl	The Netherlands	Automotive	2,800,000
Sipa Holding Ltd	P.a.c. SpA, in abbreviated form Pac SpA	Uganda	Renewables	696,154
Sapa Espana SL	Sapa SpA	Spain	Automotive	1,500,000
Taro Plast U.s. Inc.	Taro Plast SpA	United States of America	Chemical/ Petrochemical	1,400,779
Roncadin Holding Usa Corp	Roncadin SpA Sb	United States of America	Agri-food	2,555,470
Mint France Sasu	Mint SpA	France	Electronics/IT	750,000
TOTAL SHAREHOLDER LOAN				**105,826,930**
TOTAL EQUITY INVESTMENTS IN COMPANIES IN ITALY AND ABROAD AS AT 31 DECEMBER 2024*				**646,782,893**

* (nominal subscription amount)

RONCADIN

WITH US IN 2024

SIMEST SUPPORTS RONCADIN IN THE CONSTRUCTION OF A PRODUCTION FACILITY IN THE UNITED STATES OF AMERICA

We participated in the capital increase of the US subsidiary aimed at the construction of a production facility with a total value of approximately 30 million euro, which will be capable of producing nearly 25 million frozen pizzas per year.
The transaction involved SIMEST and the Law 394/81 Fund of the Ministry of Foreign Affairs and International Cooperation.

REPORT OF THE BOARD OF STATUTORY AUDITORS

REPORT OF THE BOARD OF STATUTORY AUDITORS TO THE SHAREHOLDERS' MEETING PURSUANT TO ART. 2429, PARAGRAPH 2 OF THE ITALIAN CIVIL CODE ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 OF SIMEST S.p.A.

To the Shareholders of the Italian Company for companies abroad - SIMEST S.p.A.

Dear Shareholders,

The financial statements of Simest S.p.A. for the year ended 31 December 2024, consisting of the balance sheet, the income statement, the statement of cash flows and the notes to the financial statements, accompanied by the Directors' report on operations, pursuant to Article 2428 of the Italian Civil Code, approved by the Board of Directors on 25 March 2025, have been submitted for your examination; these financial statements show a profit of 7,740,035 euro and shareholders' equity of 320,855,830 euro. This report was approved collectively and in time for its filing at the company's registered office, in the 15 days prior to the date of the first call of the shareholders' meeting for approval of the financial statements for the year ended 31 December 2024.

The Statutory Auditors recall that the independent auditors Deloitte & Touche S.p.A., engaged to perform the statutory audit of the annual financial statements, are responsible for verifying that the company accounts are kept correctly and that the accounting entries accurately reflect operations, as well as their consistency with the financial statements. Instead, the Board of Statutory Auditors is responsible for making observations on the financial statements, as well as assessing compliance with the law with regard to the governance of the company and its proper management.

The Independent Auditors were appointed by the Shareholders' Meeting on 9 May 2023 for the financial years 2023-2025 pursuant to Article 13 of Italian Legislative Decree no. 39/2010. The Board of Statutory Auditors was appointed by the Shareholders' Meeting on 27 June 2022 for the financial years 2022-2024.

Supervisory activities pursuant to Article 2403 et seq. of the Italian Civil Code

During the year ended 31 December 2024, and until the date of this report, the Board of Statutory Auditors carried out the supervisory activities required by current legislation, overseeing, for the aspects under its responsibility: (i) compliance with the rules of the articles of association; (ii) observance of the principles of proper management; (iii) the adequacy of the organisational structure, for the aspects under its responsibility, of the internal control system and of the administrative-accounting system, as well as: (iv) the reliability of the latter in correctly representing operations and the way in which the rules of corporate governance are actually implemented, as well as (v) other aspects envisaged by law or regulations.

The Board of Statutory Auditors attended the shareholders' meetings and the meetings of the Board of Directors in relation to which, on the basis of the information acquired in meetings with Company management, we did not identify any violations of the law or the articles of association, nor any manifestly imprudent or risky transactions, with a potential conflict of interest or able to compromise the integrity of the company assets. We also inform you that we have continuously carried out the prescribed periodic supervisory activities and made the considerations, issued the reports, and the opinions and proposals as required by law.

During the financial year ending 31 December 2024, there were a total of 11 meetings of the Board of Directors and 1 Shareholders' Meeting, all of which were attended by the Board of Statutory Auditors, which, in turn, held 10 meetings, to which the Judge, Ms Stefania Petrucci, designated by the Court of Auditors to oversee the Company's financial operations pursuant to Italian Law no. 259 of 1958 was always invited to attend. Periodically, we met with the Supervisory Body pursuant to Italian Legislative Decree no. 231/01 for the envisaged exchanges of information, and we acquired the half-yearly and annual reports of the company control functions and of the Supervisory Body pursuant to Italian Legislative Decree no. 231/01, from which no violations of the Model pursuant to Italian Legislative Decree no. 231/01, updated on 8 February 2024, emerged.

The audit activities did not reveal any reprehensible facts, irregularities or violations such as to require the formulation of specific reports.

In addition to the above and in compliance with the provisions of Art. 2403 of the Italian Civil Code, the Board of Statutory Auditors reports that:

- we obtained information from the directors on the general performance of operations and on the expected outlook, as well as on the most significant economic, financial and equity transactions, by size or characteristics, carried out during the year 2024. With regard to the supervisory activities carried out, we understand that management decisions are guided by the principle of correct information and reasonableness, that transactions with related parties were carried out in compliance with the specific procedure already adopted by the company, and that the directors are aware of the risk and the effects of the transactions carried out;
- we monitored the proper functioning of the Board of Directors and we have nothing to report;
- based on the information obtained, we were able to verify that the actions resolved upon and implemented are compliant with the law and the articles of association, and that they do not appear manifestly imprudent, risky, with a potential conflict of interest or in conflict with the resolutions passed by the shareholders' meeting or able to compromise the integrity of the assets;
- that activities to strengthen the organisation have begun, with some steps already completed, and that these will continue with the implementation of specific additional controls also for the public funds managed by the Company, in order to monitor and mitigate the main risks through initiatives aimed at strengthening the integrated system of controls to also monitor reputational, fraud and money laundering risks;
- we acquired knowledge and supervised, for matters under our responsibility, the adequacy and functioning of the administrative-accounting system, as well as its reliability in correctly representing operations, by obtaining information from the heads of the functions, the entity in charge of the statutory audit and by examining company documents, and in this regard, we have no particular observations to report;
- on several occasions we met with the entity in charge of the statutory audit, Deloitte & Touche S.p.A., with whom we regularly exchanged information required for the performance of our respective duties. In these meetings, the Auditor made the Board of Statutory Auditors aware of the timing of the activities planned for the auditing of the financial statements, and no fundamental issues or findings emerged that the Independent Auditors deemed worthy of the attention of the Board, nor were any significant shortcomings in the internal control system relating to the financial report process reported to the Board of Statutory Auditors. In its report, the Independent Auditors declare that they have identified and assessed the risks of material errors in the financial statements, acquired an understanding of the internal control relevant to the audit and with a view to defining audit procedures appropriate to the circumstances, assessed the appropriateness of the accounting standards adopted, as well as the reasonableness of the accounting estimates made, as well as having reached a conclusion of the appropriateness of the use by the directors of the conditions of the company contract. In any event, discussions were held with the Board of Statutory Auditors on these aspects during the year and up to the date of this report. From the exchange of information with the statutory auditor,

no significant data and indications emerged that need to be mentioned in this report. We also verified the independence of the entity in charge of the statutory audit and verified the remuneration due to the independent auditors in addition to that resolved by the Shareholders' Meeting;

- the report of the statutory auditor Deloitte & Touche S.p.A., issued today, expresses a favourable opinion, with no findings on the financial statements for the year ended 31 December 2024; lastly, the Independent Auditors certify the consistency of the report on operations with the financial statements and its preparation in compliance with the law, issuing, as part of the audit report, a specific declaration pursuant to Article 14, paragraph 2, letter e) of Italian Legislative Decree no. 39/2010.

Following the supervisory activities carried out during the year, the Board of Statutory Auditors can certify that:

- in the course of the activities carried out, no omissions, irregularities, or reprehensible facts emerged or in any case such as to require reporting to the control bodies or mention in this report;
- no complaints were received by the Board pursuant to Art. 2408 of the Italian Civil Code, nor complaints from third parties;
- no transactions with third parties, intragroup and/or with related parties were identified that indicate profiles of atypical or unusual content, nature, size or location. Transactions with related parties, carried out at arm's length, are illustrated in the notes to the financial statements in the paragraph "Information on transactions with related parties". The information provided in the notes to the financial statements in this regard is deemed adequate. It is acknowledged that the company has adopted a procedure aimed at regulating the identification and treatment of transactions with related parties;
- we did not make any reports to the management body pursuant to and for the purposes of Article 25-octies of Italian Legislative Decree no. 14 of 12 January 2019;
- we did not receive any reports from the entity in charge of the statutory audit pursuant to and for the purposes of Article 25-octies of Italian Legislative Decree no. 14 of 12 January 2019;
- we did not receive any reports from public creditors pursuant to and for the purposes of Article 25-novies of Italian Legislative Decree no. 14 of 12 January 2019.

Comments on the financial statements

In preparing the draft financial statements, the directors did not depart from the legal provisions pursuant to Article 2423 and Article 2423 bis of the Italian Civil Code.

Pursuant to Article 2426, paragraph 1, no. 5 of the Italian Civil Code, it is acknowledged that no "development costs" have been recognised in the balance sheet under assets. Pursuant to Article 2426, paragraph 1, no. 6 of the Italian Civil Code, it is acknowledged that no "goodwill " has been recorded in the balance sheet under assets.

The report on operations included information on the company's situation, its financial position, the performance of the year just ended, the activities carried out to pursue the corporate objectives, the most significant events of the year, the outlook for operations, as well as a description of the main risks to which it is exposed pursuant to Article 2428, paragraph 1 of the Italian Civil Code.

Observations and proposals regarding the approval of the financial statements

Considering the results of the activities we have carried out and the opinion expressed by the entity in charge of the statutory audit in the audit report of the financial statements issued today, the Board of Statutory Auditors unanimously believes that there are no reasons to prevent the approval of the financial statements for the year ended 31 December 2024, as prepared by the Board of Directors, and agrees with the proposed allocation of the profit for the year.

Rome, 10 April 2025

The Board of Statutory Auditors
Ugo Venanzio Gaspari, Chairman
Franca Brusco, Standing auditor
Paolo Contini, Standing auditor

ROS & ROS

WITH US IN 2024

ROS & ROS MACHINERY IN THE UNITED ARAB EMIRATES

Active since 1950 in Cusano Milanino, the company is a market leader in the design and production of machinery and equipment for the manufacture of electric cables and plastic pipes. Thanks to a “Market Entry” soft loan, it has opened a commercial branch in the United Arab Emirates, enabling it to strengthen its presence in the Middle Eastern region.

REPORT OF THE INDEPENDENT AUDITORS

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RELAZIONE DELLA SOCIETÀ DI REVISIONE INDIPENDENTE
AI SENSI DELL'ART. 14 DEL D.LGS. 27 GENNAIO 2010, N. 39

Agli Azionisti della
Società Italiana per le Imprese all'Estero - Simest S.p.A.

RELAZIONE SULLA REVISIONE CONTABILE DEL BILANCIO D'ESERCIZIO

Giudizio

Abbiamo svolto la revisione contabile del bilancio d'esercizio della Società Italiana per le Imprese all'Estero - Simest S.p.A. (la "Società") costituito dallo stato patrimoniale al 31 dicembre 2024, dal conto economico, dal prospetto della redditività complessiva, dal prospetto delle variazioni del patrimonio netto, dal rendiconto finanziario per l'esercizio chiuso a tale data e dalla nota integrativa che include le informazioni rilevanti sui principi contabili applicati.

A nostro giudizio, il bilancio d'esercizio fornisce una rappresentazione veritiera e corretta della situazione patrimoniale e finanziaria della Società al 31 dicembre 2024, del risultato economico e dei flussi di cassa per l'esercizio chiuso a tale data in conformità ai principi contabili IFRS emanati dall'International Accounting Standards Board e adottati dall'Unione Europea.

Elementi alla base del giudizio

Abbiamo svolto la revisione contabile in conformità ai principi di revisione internazionali (ISA Italia). Le nostre responsabilità ai sensi di tali principi sono ulteriormente descritte nella sezione *Responsabilità della società di revisione per la revisione contabile del bilancio d'esercizio* della presente relazione. Siamo indipendenti rispetto alla Società in conformità alle norme e ai principi in materia di etica e di indipendenza applicabili nell'ordinamento italiano alla revisione contabile del bilancio. Riteniamo di aver acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio.

Responsabilità degli Amministratori e del Collegio Sindacale per il bilancio d'esercizio

Gli Amministratori sono responsabili per la redazione del bilancio d'esercizio che fornisca una rappresentazione veritiera e corretta in conformità ai principi contabili IFRS emanati dall'International Accounting Standards Board e adottati dall'Unione Europea e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione di un bilancio che non contenga errori significativi dovuti a frodi o a comportamenti o eventi non intenzionali.

Sede Legale: Via Santa Sofia, 28 - 20122 Milano | Capitale Sociale: Euro 10.688.930,00 i.v.
Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560166 - R.E.A. n. MI-1720239 | Partita IVA: IT 03049560166

Gli Amministratori sono responsabili per la valutazione della capacità della Società di continuare ad operare come un'entità in funzionamento e, nella redazione del bilancio d'esercizio, per l'appropriatezza dell'utilizzo del presupposto della continuità aziendale, nonché per una adeguata informativa in materia. Gli Amministratori utilizzano il presupposto della continuità aziendale nella redazione del bilancio d'esercizio a meno che abbiano valutato che sussistono le condizioni per la liquidazione della Società o per l'interruzione dell'attività o non abbiano alternative realistiche a tali scelte.

Il Collegio Sindacale ha la responsabilità della vigilanza, nei termini previsti dalla legge, sul processo di predisposizione dell'informativa finanziaria della Società.

Responsabilità della società di revisione per la revisione contabile del bilancio d'esercizio

I nostri obiettivi sono l'acquisizione di una ragionevole sicurezza che il bilancio d'esercizio nel suo complesso non contenga errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali, e l'emissione di una relazione di revisione che includa il nostro giudizio. Per ragionevole sicurezza si intende un livello elevato di sicurezza che, tuttavia, non fornisce la garanzia che una revisione contabile svolta in conformità ai principi di revisione internazionali (ISA Italia) individui sempre un errore significativo, qualora esistente. Gli errori possono derivare da frodi o da comportamenti o eventi non intenzionali e sono considerati significativi qualora ci si possa ragionevolmente attendere che essi, singolarmente o nel loro insieme, siano in grado di influenzare le decisioni economiche prese dagli utilizzatori sulla base del bilancio d'esercizio.

Nell'ambito della revisione contabile svolta in conformità ai principi di revisione internazionali (ISA Italia), abbiamo esercitato il giudizio professionale e abbiamo mantenuto lo scetticismo professionale per tutta la durata della revisione contabile. Inoltre:

- abbiamo identificato e valutato i rischi di errori significativi nel bilancio d'esercizio, dovuti a frodi o a comportamenti o eventi non intenzionali; abbiamo definito e svolto procedure di revisione in risposta a tali rischi; abbiamo acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio. Il rischio di non individuare un errore significativo dovuto a frodi è più elevato rispetto al rischio di non individuare un errore significativo derivante da comportamenti o eventi non intenzionali, poiché la frode può implicare l'esistenza di collusioni, falsificazioni, omissioni intenzionali, rappresentazioni fuorvianti o forzature del controllo interno;

- abbiamo acquisito una comprensione del controllo interno rilevante ai fini della revisione contabile allo scopo di definire procedure di revisione appropriate nelle circostanze e non per esprimere un giudizio sull'efficacia del controllo interno della Società;

- abbiamo valutato l'appropriatezza dei principi contabili utilizzati nonché la ragionevolezza delle stime contabili effettuate dagli Amministratori, inclusa la relativa informativa;

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- siamo giunti ad una conclusione sull'appropriatezza dell'utilizzo da parte degli Amministratori del presupposto della continuità aziendale e, in base agli elementi probativi acquisiti, sull'eventuale esistenza di una incertezza significativa riguardo a eventi o circostanze che possono far sorgere dubbi significativi sulla capacità della Società di continuare ad operare come un'entità in funzionamento. In presenza di un'incertezza significativa, siamo tenuti a richiamare l'attenzione nella relazione di revisione sulla relativa informativa di bilancio, ovvero, qualora tale informativa sia inadeguata, a riflettere tale circostanza nella formulazione del nostro giudizio. Le nostre conclusioni sono basate sugli elementi probativi acquisiti fino alla data della presente relazione. Tuttavia, eventi o circostanze successivi possono comportare che la Società cessi di operare come un'entità in funzionamento;
- abbiamo valutato la presentazione, la struttura e il contenuto del bilancio d'esercizio nel suo complesso, inclusa l'informativa, e se il bilancio d'esercizio rappresenti le operazioni e gli eventi sottostanti in modo da fornire una corretta rappresentazione.

Abbiamo comunicato ai responsabili delle attività di governance, identificati ad un livello appropriato come richiesto dagli ISA Italia, tra gli altri aspetti, la portata e la tempistica pianificate per la revisione contabile e i risultati significativi emersi, incluse le eventuali carenze significative nel controllo interno identificate nel corso della revisione contabile.

RELAZIONE SU ALTRE DISPOSIZIONI DI LEGGE E REGOLAMENTARI

Giudizi e dichiarazione ai sensi dell'art. 14, comma 2, lettera e) e-bis), ed e-ter), del D.Lgs. 39/10

Gli Amministratori della Società Italiana per le Imprese all'Estero - Simest S.p.A. sono responsabili per la predisposizione della relazione sulla gestione della Società Italiana per le Imprese all'Estero - Simest S.p.A. al 31 dicembre 2024, incluse la sua coerenza con il relativo bilancio d'esercizio e la sua conformità alle norme di legge.

Abbiamo svolto le procedure indicate nel principio di revisione (SA Italia) n. 720B al fine di:

- esprimere un giudizio sulla coerenza della relazione sulla gestione con il bilancio d'esercizio;
- esprimere un giudizio sulla conformità della stessa alle norme di legge della relazione sulla gestione;
- rilasciare una dichiarazione su eventuali errori significativi nella relazione sulla gestione.

A nostro giudizio, la relazione sulla gestione è coerente con il bilancio d'esercizio della Società Italiana per le Imprese all'Estero - Simest S.p.A. al 31 dicembre 2024.

Inoltre, a nostro giudizio, la relazione sulla gestione è redatta in conformità alle norme di legge.

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Con riferimento alla dichiarazione di cui all'art. 14, co. 2, lettera e-ter), del D.Lgs. 39/10, rilasciata sulla base delle conoscenze e della comprensione dell'impresa e del relativo contesto acquisite nel corso dell'attività di revisione, non abbiamo nulla da riportare.

DELOITTE & TOUCHE S.p.A.

Davide Papa

Davide Papa
Director

Roma, 10 aprile 2025

APPROVAL OF THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

APPROVAL OF THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

With 95.6859% of the share capital present, the Shareholders' Meeting of 13 May unanimously approved the Financial Statements for the year ended 31 December 2024 and the allocation of the profit for the year 2024 of 7,740,035 euro as follows:

- 387,002 euro, equal to 5%, to the legal reserve pursuant to Article 2430 of the Italian Civil Code;
- 7,353,033 euro to "Reserves: c) Profits/Losses carried forward".

In addition, the restriction on non-distributable reserves for 1,452 euro was released.

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