



Press release

**THE BOARD OF DIRECTORS HAS APPROVED THE DRAFT BUDGET AS OF
DECEMBER 31, 2024**

**GROWING EBITDA AND SOLID MARGINS, STRENGTHENED FINANCIAL
POSITION WITH INCREASING LIQUIDITY**

BACKLOG AT 123 MILLION EUROS, VISIBILITY UNTIL 2027

Key results as of December 31, 2024

- Production Value equal to Euro 67.5 million, up 9.73% compared to Euro 61.5 million as of December 31, 2023
- EBITDA to Euro 14.9 million, growing by 13.75%, compared to Euro 13.1 million at 31 December 2023. EBITDA Margin equal to 22.1% (21.4% FY23)
- EBIT equal to Euro 11.3 million, up 19.69%, compared to Euro 9.5 million as of December 31, 2023
- Net profit equal to Euro 7.6 million, up 13.6%, compared to Euro 6.7 million as of December 31, 2023
- Net Financial Debt equal to Euro 5.6 million compared to Euro 7.8 million at 31 December 2023. Liquid assets increased from Euro 7.8 million to Euro 9 million, highlighting a strengthening of the financial structure and an increasing capacity to generate cash
- Total net assets of Euro 41.4 million, up 71.5% compared to Euro 24.2 million at 31 December 2023
- Backlog acquired to date equal to approximately Euro 123 million. The acquired backlog will develop in the next three-year period 2025 – 2027
- The growth strategy and the adoption of 4.0 technologies continue, with a strong focus on environmental sustainability, also through the launch of actions aimed at obtaining an ESG rating

Carpenedolo (BS), March 27 2025 – The Board of Directors of Palingeo SpA (ticker PAL, hereinafter also the "Company" or "Palingeo"), leading company in the geotechnical and geognostic sectors, for the construction of building and infrastructure works and for the consolidation of foundation soils or support of excavation sources, meeting today, examined and approved the draft budget as of December 31, 2024.

Leonardo Spada, Paolo Franzoni And Gianbattista Lippi co-founders Of Palingeo: "2024 closes with solid results, demonstrating Palingeo's sustainable growth and resilience. In a complex macroeconomic context, we have strengthened our positioning, consolidating ourselves as a point of reference in the

public and special works sector. The increase in profitability, the reduction of debt and the strengthening of the capital position allow us to look to the future with confidence, supported by a solid order book and a clear and sustainable growth strategy."

MAIN ECONOMIC AND FINANCIAL RESULTS AS OF DECEMBER 31, 2024

The backlog acquired to date amounts to approximately Euro 123 million, with a prevalence of contracts in central and northern Italy. The Company is also engaged in negotiations to expand its presence in the south of the country, where it is already operational. The operational efficiency of the Company is reflected in an average lead time of 3 months between award and start of works and in the completion of 100% of the orders within the expected times, consolidating Palingeo's reputation for reliability and execution capacity.

Revenues as of December 31, 2024 amounted to Euro 63 million, recording an increase of +7.7% compared to Euro 58.5 million in the 2023 financial year. Growth was supported by the consolidation of the Company's position in the market, which allowed access to strategic work for the development of the country system and the strengthening of the role of reference operator in the construction of special foundation works.

The Value of Production at 31 December 2024 stood at Euro 67.5 million, up 9.7% compared to the previous year, mainly due to the aforementioned results recorded in terms of revenues. The overall value of production is made up of, in addition to sales revenues and the change in work in progress on order (this last item included in the value of characteristic production and positive, in 2024, for Euro 2.3 million), other revenues are included, which went from Euro 3.3 million in 2023 to Euro 2.2 million in 2024 (-33.4% yoy). Other revenues are mainly represented by active leases of instrumental equipment and machinery, damage and insurance compensation, contributions for capital goods.

Production costs as of December 31, 2024, amount to a total of Euro 52.5 million (Euro 48.3 million in 2023), of which the main ones are those for raw materials, costs for services and personnel. In particular, the costs for raw materials, equal to Euro 21.8 million, remain substantially in line with 2023 (Euro 21.8 million) as: (i) the new orders or at least the main ones require that the purchases of processing materials be made directly by the main contractor and (ii) there has been a progressive drop in the price of processing materials which has had a positive impact on the containment of expenses. Service costs increased in 2024 compared to 2023 by 19% (from Euro 8.8 million in 2023 to Euro 10.5 million in 2024), due to the substantial increase in the provision of services directly related to the business both in terms of outsourced processing and in terms of transport and travel. It should be noted that this item includes costs related to the listing on the EGM market amounting to Euro 1 million, costs that will not recur in the next financial years. Lastly, personnel costs increased by 15.4% (from Euro 12.9 million in 2023 to Euro 14.8 million in 2024), following the entry of approximately 50 new net resources compared to 2023, made necessary in order to cope with the growing volume of activities.

The growth of the business and the more than proportional containment of raw material costs has translated into an increase in EBITDA, both in absolute value and in terms of margins calculated on the value of production. In particular, the value of EBITDA in 2024 stands at Euro 14.9 million, up compared to the previous year in which it was equal to Euro 13.1 million (+Euro 1.8 million yoy; +13.8%); in terms of margins, the EBITDA margin calculated on the value of production goes from 21.4% in 2023 to 22.1% in 2024, denoting greater efficiency by the Company, especially with reference to raw materials (the incidence of the item on the value of production, in fact, goes from 35.4% in 2023 to 32.3% in 2024).

Operating profit (EBIT) is equal to Euro 11.3 million, a sharp increase compared to Euro 9.5 million in 2023 with a yoy increase of +19.7%.

The net result for the period stands at Euro 7.62 million, up 13.6%, compared to Euro 6.71 million at 31 December 2023.

Net financial debt is equal to Euro 5.6 million, compared to Euro 7.8 million in 2023; liquid assets, equal to Euro 9 million, are increasing compared to Euro 7.8 million in 2023 due to the Company's ability to generate cash.

Net Equity amounted to €41.4 million, up from €24.2 million at 31 December 2023, with an increase of 71.5%. The increase is mainly due to the growth of reserves (+97.1%), fueled by the profits generated during the 2024 financial year, the increase in share capital (+38.2%) and the reduction in net financial debt (-28.8%). The strengthening of the capital reflects the Company's strategy aimed at financial solidity and sustainable growth in the long term.

MAIN SIGNIFICANT EVENTS THAT OCCURRED DURING THE 2024 FINANCIAL YEAR

On 14 February 2024, the Company received the decision to admit its ordinary shares and warrants called "Warrant PALINGEO 2024-2026" to trading on the Euronext Growth Milan market, a multilateral trading facility organised and managed by Borsa Italiana SpA. After successfully completing the placement of its ordinary shares, with a total collection of Euro 8.1 million through the issue of no. 5,197,100 new ordinary shares, trading began on Friday 16 February 2024. The transaction also included the issue of Warrants called "Warrant PALINGEO 2024-2026", under the terms and conditions governed by the warrant regulations available on the Company's website www.palingeo.it, in the dedicated section Investor Relations > IPO.

On March 18, 2024, the Company announced the acquisition of five new state-of-the-art machines, for a total value of approximately Euro 3.5 million. The investment, in line with the objectives presented during the IPO, aims to improve the productivity and efficiency of construction sites in Italy, strengthening the competitive positioning of the Company. The new equipment, equipped with 4.0 technologies and low-emission STAGE 5 engines, includes machines for micropiles, reinforced concrete/plastic diaphragm walls and large diameter piles. In addition to optimizing remote control systems, this investment represents a concrete step towards greater environmental sustainability, efficiency and safety in construction operations.

On March 21, 2024, the Company announced the start of four new construction sites on strategic infrastructure projects. The first intervention, on behalf of D'Agostino Angelo Antonio Costruzioni Generali SpA, concerns the Variante to the SS 1 Aurelia, with the use of the Jet grouting technique for soil consolidation. Two other construction sites focus on the new Bergamo-Orio al Serio railway connection and the doubling of the Curno-Bergamo line, with the use of micropiles and CFA piles. Finally, the fourth project, entrusted by ITINERA SpA, involves the installation of large diameter poles for an important motorway infrastructure.

On 09 April 2024, the Board of Directors resolved, inter alia, to submit to the ordinary shareholders' meeting, convened for 29 April 2024, the proposal to increase the number of members of the board of directors from the current five to seven, through the appointment of two additional directors, one of whom must meet the independence requirements set out in the applicable legislation. On 29 April 2024, the shareholders' meeting ratified the proposal of the Board of Directors

On May 15, 2024, the Company announced that it had completed the assignment process of the second tranche of the "Warrant Palingeo 2024-2026", with ex-dividend date on May 13, 2024 and free assignment to shareholders, at the rate of 1 warrant for each ordinary share held, for a total of 5,321,900 warrants. Following this operation, 6,942,200 warrants are in circulation, traded on Euronext Growth Milan with ISIN code IT0005575573, completely fungible with those already existing. The first exercise period, which took place from December 2 to 13, 2024, was regularly concluded.

On 21 June 2024, the Company signed a contract with SALCSpA for the execution of specialized foundation works in the project for the construction of the motorway link between the A4 and Val Trompia, in the Concesio-Sarezzo (Brescia) section. The contract, worth Euro 4.2 million, includes jet grouting, laying of tubular reinforcements and drilling for strand tie rods, in addition to the supply and maintenance of the necessary equipment. With this acquisition, Palingeo's order portfolio reaches Euro 96.5 million, marking a new historical record and guaranteeing operational visibility until mid-2026.

On June 27, 2024, the Company completed the off-market placement of 225,000 shares (3.42% of the capital) through Accelerated Bookbuilding (ABB), reserved for RedFish Listing SpA. The transaction, carried out by shareholders Paolo Franzoni, Gianbattista Lippi and Leonardo Spada, took place at Euro 5.80 per share, for a total of Euro 1.3 million. RedFish Listing SpA maintains the lock-up until February 2027.

On 07 October 2024, the Company was awarded a tender with a total value of approximately Euro 25 million, in a temporary business association with Bertini Costruzioni Srl and Allara SpA, on behalf of the Associazione d'Irrigazione Ovest Sesia. The tender concerns the assignment of extraordinary maintenance interventions for the restructuring of the Canale Cavour – Section 6 "Rilevata Dora" and Section 8 – 1st lot (Vercelli).

On November 18, 2024, a tragic accident occurred inside the construction site of the research center of the Società Metropolitana Acque Torino, in Corso Unità d'Italia, where Palingeo was carrying out some special pre-consolidation works to build the new pumping basin.

On December 13, 2024, the Company announced the conclusion of the first exercise period of the 2024-2026 Palingeo Warrants (ISIN IT0005575573), which took place from December 2 to 13, 2024. 1,213,080 warrants were exercised, resulting in the subscription of 303,270 Conversion Shares at a price of Euro 5.50 per share, for a total value of Euro 1,667,985. There remain 5,729,120 warrants in circulation, exercisable in the subsequent exercise periods scheduled between 1 and 15 December 2025 and between 1 and 15 December 2026. The new shares will be available for trading through Monte Titoli SpA on the trading day following the close of the exercise period.

MAIN SIGNIFICANT EVENTS OCCURRING AFTER THE END OF THE 2024 FINANCIAL YEAR

On 17 January 2025, the Company signed a contract with COIMA SGR SpA for the regeneration of the former Porta Romana railway yard in Milan. The contract, worth Euro 11 million, of which Euro 5.3 million awarded to Palingeo, includes war and environmental clearance activities, temporary structural works and building excavations. The works, lasting 12 months, will include reinforced concrete diaphragms, anchor rods and CFA piles, with multiple simultaneous operating teams to ensure compliance with the contractual deadlines.

On February 18, 2025, the Turin Public Prosecutor's Office intended to proceed with non-repeatable technical investigations on the construction crane, in order to ascertain, also in cross-examination with the safety manager and the machine operator, the probable causes of the accident. For this reason, they were notified of a notice of investigation, which, as is known, does not represent an indictment, but rather allows the defense of the people involved, also in the context of expert investigations.

On 21 March 2025, the Company acquired three new contracts for a total value of over Euro 14 million, of which approximately Euro 7 million relating to 2025 and the remainder to 2026. The interventions will concern the consolidation of strategic works in the motorway and railway sectors. In particular, Palingeo will perform reinforced concrete diaphragms on the Pedemontana Lombarda (Sections B2

and C) and will operate on the AV/AC Verona-Padova Line, with the construction of diaphragms, micropiles and foundation piles for the Vicenza crossing. The works, entrusted by the Iricav Due Consortium, involve the use of advanced technologies to guarantee the stability of the infrastructures.

FORESEEABLE MANAGEMENT EVOLUTION

The Company is confident in the confirmation and potential increase, in the 2025 financial year, of the overall revenue volume, in consideration of the contractual relationships signed. Alongside the continuous effort aimed at obtaining new orders, the Company will continue to pay attention to the structural investment policy in cutting-edge machinery and systems, necessary for the optimization of the services and works provided, as well as in the implementation of a management control system with the help of the new management software implemented starting from January 1, 2023. Likewise, the constant commitment to a careful optimization of the various management costs will continue.

PROPOSAL FOR ALLOCATION OF THE FINANCIAL YEAR RESULT

The Board of Directors has resolved to propose to the Shareholders' Meeting to allocate the profit for the financial year ended 31/12/2024, equal to Euro 7,619,708, to the Extraordinary Reserve.

OTHER RESOLUTIONS OF THE BOARD OF DIRECTORS

The Board of Directors - in compliance with the provisions of Article 6-bis of the Euronext Growth Milan Issuers' Regulation, as well as the bylaws - has ascertained the existence of the independence requirements pursuant to the bylaws and Article 148, paragraph 3, of the TUF, as referred to in Article 147-ter, paragraph 4 of the TUF for the directors Alberto Dell'Acqua and Antonia Coppola, as well as that they are not in any of the circumstances that compromise, or appear to compromise, the independence identified by the "Policy on quantitative and qualitative criteria for the purposes of assessing the independence requirements pursuant to Article 6-bis of the Euronext Growth Milan Issuers' Regulation" approved by the same board on 28 March 2024.

Calling of the Shareholders' Meeting and filing of documentation

The Board of Directors has resolved to convene the Ordinary Shareholders' Meeting on April 29, 2025 at the first call and, if necessary, on May 13, 2025 at the second call, at the times and places that will be communicated in the relevant notice of call that will be published in the manner and terms provided for by the applicable legislation and regulations. The notice of call of the Assembly, which will be published within the terms of the law and the bylaws, will also indicate the methods of participation in the assembly meeting.

The documentation relating to the matters on the agenda will be made available to the public at the registered office, on the website of the www.palingeo.it, Investor Relations section > Meetings, as well as on the website www.borsaitaliana.it, Actions/Documents section, within the terms established by the regulations in force.

Please be advised that this press release is made available on the website www.palingeo.it and on www.emarketstorage.it.

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Piazza di Priscilla 4 - following the authorization and CONSOB resolutions no. 22517 and 22518 of 23 November 2022.

About Palingeo

Palingeo is an Italian company based in Carpenedolo, founded in 1999, specialized in the fields of geotechnics, soil consolidation and geognostics. It was born from the experience of professionals in the sector and has established itself as an Italian leader, offering services such as soil consolidation and waterproofing, foundation engineering, and land redevelopment. The company operates on commission for private individuals and public bodies, acquiring projects through subcontracts or participating directly in tenders, even in temporary association with other operators. Its presence extends throughout the country, with four local units distributed between the provinces of Brescia, Mantua and Messina. Palingeo holds the main quality certifications in the sector and focuses on specialized construction in the foundation sector, offering geological and infrastructural services. The Company is active in the public construction sector, basing its business model on the search, awarding and implementation of orders through direct or indirect channels. To improve production efficiency, Palingeo has adopted Industry 4.0 technologies in construction sites, allowing remote connection with the Technical Office through dedicated applications and specific portals. The Company is oriented towards technological development to optimize production processes and ensure a high level of professionalism in the services offered.

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Attached:

1. Reclassified Income Statement as of 12/31/2024 (vs. Income Statement as of 12/31/2023)
2. Reclassified Balance Sheet as of 12/31/2024 (vs. Balance Sheet as of 12/31/2023)
3. Net Financial Debt at 12/31/2024 (vs. Net Financial Debt at 12/31/2023)
4. Financial Statement as of 12/31/2024 (vs. Financial Statement as of 12/31/2023; date in Euro)

1. *Reclassified Income Statement at 12/31/2024 (vs. Income Statement at 12/31/2023; date in Euro)*

Profit and Loss Account	12/31/2024	12/31/2023	Var. 24 vs 23	Change % 24 vs 23
Revenue from characteristic management	62,989,340	58,497,148	4,492,192	7.7%
Change of work in progress on order	2.309.808	-281.455	2,591,263	-920.7%
Characteristic production value	65.299.148	58,215,693	7,083,455	12.2%
Changes in stock of products in progress, semi-finished products, finished products	0	0	0	0
Other revenues and income	2,194,440	3,292,727	-1.098.287	-33.4%
Production value	67,493,588	61,508,420	5,985.168	9.7%
Purchases and changes in inventories of raw materials, supplies, consumables and goods	21,826,594	21,797,101	29,493	0.1%
Costs for services	10,450,746	8.785.761	1,664,985	19.0%
Costs for the enjoyment of third party assets	4,876,658	4,666,647	210.011	4.5%
Other operating costs	554.487	256.845	297,642	115.9%
Added value	29.785.103	26.002.066	3.783.037	14.5%
Cost of labor	14,841,568	12,864,934	1,976,634	15.4%
Gross operating margin (EBITDA)	14,943,535	13.137.132	1,806,403	13.8%
Depreciation, write-downs and other provisions	3.107.252	2,231,746	875.506	39.2%
Provisions for risks	500,000	1,434,495	-934.495	-65.1%
Operating profit (EBIT)	11,336,283	9,470,891	1,865,392	19.7%
Financial income and expenses	-645.103	-495.922	-149.181	30.1%
Revaluations/Devaluations of the value of financial assets	-7.950	-16.405	8.455	-51.5%
Earnings before taxes	10,683,230	8.958.564	1,724,666	19.3%
Income Tax	3.063.521	2,252,923	810.598	36.0%
Profit (loss) for the financial year	7,619,708	6.705.641	914.067	13.6%

2. Reclassified Balance Sheet at 12/31/2024 (vs. Balance Sheet at 12/31/2023; date in Euro)

Balance Sheet	12/31/2024	12/31/2023	Var. 24 vs 23	Change % 24 vs 23
Intangible assets	6.752.940	7,184,990	(432,050)	-6.0%
Tangible fixed assets	17,329,455	7,237,369	10.092.086	139.4%
Financial fixed assets	103.870	151,749	(47,879)	-31.6%
Net fixed assets	24,186,265	14,574,108	9,612,157	66.0%
Remaining stock	2,431,370	121,562	2.309.808	1900.1%
Commercial Credits	27,486,938	29,742,625	(2,255,687)	-7.6%
Trade Debts	-13.388.875	-16.298.134	2,909,259	-17.9%
Trade Working Capital	16,529,433	13,566,053	2,963,380	21.8%
Other credits	399.253	1.364.832	(965,579)	-70.7%
Other debts	-2,442,719	-3.539.159	1,096,440	-31.0%
Tax credits and debts	4,458,031	4,969,388	(511,357)	-10.3%
Net accruals and deferrals	-817.166	-2.586.056	1,768,890	-68.4%
Net Working Capital	18,126,832	13,775,058	4,351,774	31.6%
Risk and charge funds	-2.191.359	-2.312.377	121.018	-5.2%
Long-term net working capital	8.832.953	7,739,731	1.093.222	14.1%
TFR Fund	-1.949.442	-1.797.859	(151,583)	8.4%
Net Invested Capital	47,005,249	31,978,661	15,026,588	47.0%
Financial Debts	14,568,822	15,604,105	(1,035,283)	-6.6%
Cash and cash equivalents	-9.005.888	-7.787.890	(1,217,998)	15.6%
Net Financial Position	5,562,934	7,816,215	-2.253.281	-28.8%
Share Capital	1.381.534	1,000,000	381,534	38.2%
Reserves	32,441,072	16,456,806	15,984,266	97.1%
Profit (loss) for the financial year	7,619,708	6.705.641	914.067	13.6%
Net Worth (Equity)	41,442,315	24,162,447	17,279,868	71.5%
Total Sources	47,005,249	31,978,662	15,026,587	47.3%

3. *Net Financial Debt as of 12/31/2024 (vs. Net Financial Debt at 12/31/2023; date in Euro)*

Net financial debt	12/31/2024	12/31/2023	Var.	Change
			24 vs 23	% 24 vs 23
A) Liquid assets	9.002.601	7,784,603	1,217,998	15.65%
B) Cash equivalents	3.287	3.287	0	0.00%
C) Other current financial assets	0	0	0	n.m.
D) Liquidity (A+B+C)	9.005.888	7,787,890	1,217,998	15.64%
E) Current financial credit	0	0	0	n.m.
G) Current financial debt	10,120,734	7,987,978	2,132,756	26.70%
F) Current portion of non-current financial debt	2,259,533	3,566,859	(1,307,326)	-36.65%
H) Other current financial liabilities	0	0	0	n.m.
I) Current financial debt (F+G+H)	12,380,267	11,554,837	825.430	7.14%
J) Net current financial debt (FDI)	3.374.379	3.766.947	(392,568)	-10.42%
K) Non-current financial debt	2.114.892	3.945.562	(1,830,670)	-46.40%
L) Non-current bonds issued	0	0	0	n.m.
M) Other non-current financial liabilities	73,663	103.706	(30.043)	-28.97%
N) Non-current financial debt (K+L+M)	2,188,555	4,049,268	(1,860,713)	-45.95%
O) TOTAL FINANCIAL INDEBTEDNESS (I+N)	5,562,934	7,816,215	(2,253,281)	-28.83%

4. *Financial Statement as of 12/31/2024 (vs. Financial Statement as of 12/31/2023; date in Euro)*

Cash flow	2023	2024
Eur/000	ACT	ACT
EBITDA	13.137	14,944
Taxes	(2,253)	(3.064)
Self-financing	10.884	11.880
Inventory changes	580	(2.310)
Change in trade credits	(5,951)	2.096
Change in trade credits M/L	-	(1.343)
Change in trade debts	(1.959)	(2,728)
CCN variation	(7,330)	(4,285)
Change in other credits/(debts)	(252)	(1.160)
Net Working Capital Change	(7,582)	(5,445)
Funds variation	(1,561)	(621)
TFR variation	98	152
Gross Cash Flows	1.838	5.966
Changes in financial assets	79	48
Capex	(2,515)	(12,767)
Net Cash Flows	(597)	(6,754)
Interest income / (expenses)	(512)	(653)
Δ Net Equity	(48)	9.660
Short-term debts to banks	5.146	825
Debts to M/L Banks	(352)	(1.831)
Debts to other financiers	(5)	(30)
Debts to financing partners	-	-
Financial credits	(1)	-

Cash Flow available for debt service	4.228	7.972
Cash - BoP	4.154	7.785
Cash flow	3.631	1.218
Cash - EoP	7.785	9.002