

**REVENGA INGENIEROS, S.A.**  
**(SINGLE SHAREHOLDER COMPANY )**  
ANNUAL ACCOUNTS AND DIRECTOR'S REPORT  
CORRESPONDING TO 2022 FINANCIAL YEAR TOGETHER WITH  
THE AUDIT REPORT ON ANNUAL ACCOUNT ISSUED BY AN  
INDEPENDENT AUDITOR

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BDO

**REVENGA INGENIEROS, S.A. (SINGLE SHAREHOLDER  
COMPANY) AND SUBSIDIARIES**

Annual Accounts and Management Report corresponding to 2022  
financial year together with the Audit report on annual  
accounts issued by an independent auditor

AUDIT REPORT ON THE CONSOLIDATED ANNUAL ACCOUNTS ISSUED BY AN INDEPENDENT AUDITOR

ANNUAL ACCOUNTS CORRESPONDING TO 2022 FINANCIAL YEAR:

Balance sheets as at 31 December 2022 and 2021  
Consolidated Profit and Loss Accounts for financial years 2022 and 2021  
Consolidated Statement of Changes in Equity for financial years 2022 and 2021  
Consolidated Cash Flows Statements for the financial years 2022 and 2021  
Consolidated Report of financial year 2022

CONSOLIDATED DIRECTOR'S REPORT FOR THE FINANCIAL YEAR 2022 AND 2021

REVENGA INGENIEROS, S.A. (SINGLE SHAREHOLDER  
COMPANY) AND SUBSIDIARIES

Audit Report on the Consolidated Annual Accounts issued by an  
Independent Auditor

## **Audit Report on Annual Accounts issued by an Independent Auditor**

To the Sole Shareholder of Revenga Ingenieros, S.A. (Single Shareholder Company)

### *Opinion*

We have audited the annual accounts of **Revenga Ingenieros, S.A.U.** (hereinafter, the Company), which comprise the consolidated balance sheet as at 31 December 2022, the income statement, the statement of changes in equity, the cash flow statement and the annual report for the year then ended.

In our opinion, the accompanying annual accounts present fairly, in all material respects, the true and fair view and financial position of the Company as of 31 December 2022, as well as the results of its operations and cash flows for the year then ended, in accordance with the regulatory framework for financial reporting applicable to the Company (identified in note 2 of the report) and in particular, pursuant to the accounting principles and criteria contained in it.

### *Basis for opinion*

We conducted our audit in accordance with the audit regulations in force in Spain. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Annual Accounts* section of our report.

We are independent of the Group in accordance with ethical requirements, including those pertaining to independence, that are relevant to our audit of the annual accounts in Spain pursuant to the audit regulations in force. In this regard, we have not provided any services other than those relating to the audit on annual accounts and there have not been any situations or circumstances that, in accordance with the aforementioned audit regulations, might have affected the requisite independence in such a way as to compromise our independence.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Key audit matters*

The most relevant aspects of the audit are those which, according to our professional criterion, have been considered the most significant risks of material misstatement in our audit of the consolidated annual accounts for the current period. These risks have been dealt with in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion on them, and we do not express a separate opinion on those risks.

<i>Key audit matters</i>	<i>Audit response</i>
<i>Recognition of revenue by percentage of completion method</i>	We performed the following audit procedures, among others:
The heading "Net turnover" in the profit and loss account for 2022 includes income from services rendered in such financial year from the Company's own activities, as described in note 1 to the accompanying notes to the financial statements.	- Obtaining and understanding a sample of contracts for the provision of services to customers, as well as an understanding of the procedures used by the Company in monitoring and recording work performed under such contracts
The revenue recognition policy is described in note 4.p) of the notes to the consolidated financial statements. A large portion of revenue relates to the execution of technology projects where revenue is recognised by the percentage-of-completion method, which requires estimates of the margin of each contract and the costs to be incurred and the stage of completion of the contracts at the reporting date.	- Analysis of the reasonableness of the evolution of sales, as well as the overall margins obtained.  - Verification, for a sample of work for which revenue has been recognised during the year and which is pending invoicing at year-end, of both the documentation certifying that the work has been performed and that it meets the requirements for recognition as revenue in the year.
The analysis of the aforementioned recognised income by percentage of completion has been considered as the most relevant key audit matter.	- Assessment of the adequacy and appropriateness of the information included by the Company's management in the notes to the financial statements in relation to revenues

<i>Key audit matters</i>	<i>Audit response</i>
<i>Capitalised development expenses</i>	
<p>As described in note 5 to the accompanying consolidated at 31 December 2022 the Group has capitalised development expenses amounting to 14,448 thousand euros, which mainly correspond to personnel expenses incurred in the development of projects, both in this and previous years.</p> <p>The recognition of intangible assets for development expenditure requires an analysis by the Company's management and directors of compliance with the requirements of the applicable financial reporting framework as detailed in note 4.f to the accompanying financial statements.</p> <p>Due to the associated judgement involved, as well as the significance of the balance, the analysis of the activation of the aforementioned development expenditure has been considered as one of the most relevant aspects in our audit.</p>	<p>As described in note 5 to the accompanying financial statements has carried out the following audit procedures:</p> <ul style="list-style-type: none"><li>- Assessment and understanding of the design and implementation of key controls associated with the process of recording development expenditure and identification, where appropriate, of expenditure that meets the criteria for activation</li><li>- We have obtained and assessed the documentation prepared by management justifying the technical success and profitability of the projects and assessed the reasonableness of the key assumptions made, including those related to the estimated useful lives of certain projects which have been estimated to be longer than five years.</li><li>- Assessment of the adequacy and content of the information included in the notes to the financial statements in accordance with the requirements of the applicable financial reporting framework.</li></ul>

*Other information: Consolidated Directors' Report*

Other information comprises only the consolidated director's report for the 2022 and 2021 financial year, the formulation of which is the responsibility of the Directors of the Company and does not form an integral part of the annual accounts.

Our audit opinion on the annual accounts does not cover the Directors' report. Our responsibility regarding the directors' report, in accordance with regulatory requirements governing audit activity, involves evaluating and reporting on the consistency of the directors' report with the annual accounts, based on an understanding of the company obtained by conducting the audit of said accounts and without including information other than that obtained as evidence during the audit. Our responsibility also extends to evaluating and reporting on whether the content and presentation of the directors' report comply with the applicable legislation. If, based on the work performed, we conclude that there are material misstatements, we are obliged to report them.

Based on the work carried out, as described in the preceding paragraph, the information contained in the consolidated directors' report is consistent with the annual accounts for 2022 and 2021 and its content and presentation comply with the applicable legislation.

*Liability of the Directors of the Parent Company in relation to the consolidated annual accounts*

The Parent Company's directors are responsible for the preparation of the accompanying consolidated financial statements in order to present fairly the Group's consolidated equity, financial position and results, in accordance with the regulatory financial reporting framework applicable to the Group in Spain, as identified in note 2 to the accompanying consolidated financial statements, and for such internal control as they consider necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Parent's directors are responsible for assessing the Group's Ability to continue as a going concern, disclosing, as appropriate, going concern matters and using the going concern basis of accounting unless the Parent's directors intend to liquidate the Group or to cease operations, or there is no realistic alternative.

*The auditor's responsibilities in relation to the audit of the consolidated annual accounts*

Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high degree of assurance, but does not guarantee that an audit conducted in accordance with auditing standards in Spain will always detect a material misstatement when it exists. Misstatements may arise from fraud or error and are considered material if, either individually or in the aggregate, they could reasonably be expected to affect the economic decisions of users taken on the basis of the annual accounts.

As part of an audit in accordance with the audit regulations in force in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatements due to fraud is higher than for a case due to error, as fraud may involve collusion, forgery, deliberate omissions, intentionally wrong representations, or the circumvention of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- We assess whether the accounting policies applied are appropriate and the reasonableness of the accounting estimates and the corresponding information disclosed by the directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. However, future events or conditions may cause the Company to cease to continue as a going concern.

- We evaluate the presentation as a whole, the structure and content of the annual financial statements, including the disclosed information, and whether the annual accounts represent the underlying transactions and facts in a way that conveys a true image.
- We obtain sufficient appropriate evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the management, supervision and performance of the group audit. We are solely responsible for our audit opinion.

We are required to communicate with the Directors of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Among the significant risks which have been communicated to the directors of the Parent Company, we determine which have had the greatest significance in the audit of the consolidated annual accounts of the current period, and consequently, which are the most significant risks.

We have described these risks in our audit report insofar as we are able, unless statutory or regulatory provisions prohibit public disclosure of the same.

BDO Auditores, S.L.P.  
(Registered in the Official Registry of Accounting Auditors  
with number S1273 )

[Signature]

Carlos Sotillos Brihuega  
Registered in the Official Registry of Accounting Auditors  
with number 18.365  
Member – Account Auditor

26 May 2023

[Stick that reads]  
INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS  
OF SPAIN  
BDO AUDITORES, S.L.P.  
Year 2023 Number 01/23/13029  
Company seal: EUR 96,00

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Auditor's Report on financial statements subject  
to Spanish or international auditing regulations  
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# **Revenge Ingenieros, S.A.U. and Subsidiaries.**

**Consolidated Financial  
Statements** 31 December 2022  
and 2021

**Consolidated Directors' Report**  
Financial Years 2022 and 2021

(Together with the Audit Report)

REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

Consolidated Balance Sheets  
31 December 2022 and 2021  
(expressed in Euros)

<u>Assets</u>	<u>Note</u>	<u>2022</u>	<u>2021</u>
<b>Intangible fixed assets</b>	<b>5</b>	<b><u>14,549,113.31</u></b>	<b><u>13,697,653.78</u></b>
Development		14,448,298.64	13,672,689.94
Computer applications		100,814.67	24,963.84
<b>Property, plant and equipment</b>	<b>6</b>	<b><u>2,845,909.41</u></b>	<b><u>4,405,084.27</u></b>
Land and buildings		305,431.75	2,221,076.40
Technical facilities and other tangible fixed assets		1,861,742.88	2,004,420.47
Fixed assets under construction and advances		678,734.78	179,587.40
<b>Real estate investments</b>		<b><u>0.00</u></b>	<b><u>0.00</u></b>
Lands		0.00	0.00
Constructions		0.00	0.00
<b>Long-term investments in Group and associated companies</b>	<b>8 and 9</b>	<b><u>1,545,422.74</u></b>	<b><u>1,547,242.00</u></b>
Equity instruments		508.28	2,327.54
Loans to companies		1,544,914.46	1,544,914.46
Other financial assets		0.00	0.00
<b>Long-term financial investments</b>	<b>9 and 10</b>	<b><u>243,258.73</u></b>	<b><u>241,263.85</u></b>
Equity instruments		162,375.00	162,375.00
Loans to companies		0.00	0.00
Other financial assets		80,883.73	78,888.85
<b>Trade and other receivables</b>	<b>9 and 10</b>	<b><u>0.00</u></b>	<b><u>0.00</u></b>
Customers, group and associated companies		0.00	0.00
<b>Deferred tax assets</b>	<b>19</b>	<b><u>158,476.85</u></b>	<b><u>158,476.85</u></b>
<b>Total non-current assets</b>		<b><u>19,342,181.04</u></b>	<b><u>20,049,720.75</u></b>
Non-current assets held-for-sale			<b>0.00</b>
<b>Inventory stock</b>	<b>11</b>	<b><u>7,036,016.89</u></b>	<b><u>3,577,783.24</u></b>
Commercial and raw materials		3,112,748.59	2,157,078.44
Work in progress and finished products		3,326,981.04	992,844.25
Advances to suppliers		596,287.26	427,860.55
<b>Trade and other receivables</b>	<b>9 and 10</b>	<b><u>20,121,931.90</u></b>	<b><u>20,871,231.12</u></b>
Clients through sales and services provided.		18,915,831.01	18,383,736.22
Customers, group and associated companies		267,598.84	1,612,309.58
Sundry accounts receivable		160,825.53	70,781.49
Staff		99,381.34	103,524.39
Deferred tax assets	<b>19</b>	102,360.29	124,349.98
Other credits with Public Authorities	<b>19</b>	561,371.17	564,660.28
Other receivables (other tax assets)		1,404.54	0.00
Other		13,159.18	11,869.18
<b>Short-term investments in Group and associated companies</b>	<b>9 and 10</b>	<b><u>4,205,583.26</u></b>	<b><u>4,788,433.13</u></b>
Loans to companies		0.00	0.00
Other financial assets		4,205,583.26	4,788,433.13
<b>Short-term financial investments</b>	<b>9 and 10</b>	<b><u>311,071.87</u></b>	<b><u>479,064.05</u></b>
Equity instruments		163,390.48	140,072.32
Other financial assets		147,681.39	338,991.73
<b>Short-term accruals and deferrals</b>	<b>12</b>	<b><u>268,599.07</u></b>	<b><u>188,167.50</u></b>
<b>Cash and other equivalent liquid assets</b>	<b>13</b>	<b><u>699,514.70</u></b>	<b><u>1,650,742.48</u></b>
Treasury		699,514.70	1,650,742.48
<b>Total current assets</b>		<b><u>32,642,717.69</u></b>	<b><u>31,555,421.52</u></b>
<b>Total Assets</b>		<b><u>51,984,898.73</u></b>	<b><u>51,605,142.27</u></b>

The Consolidated Annual Accounts of the Company, which form a single unit, comprise these Balance Sheets, the attached Consolidated Profit and Loss Accounts, Consolidated Statement of Changes in Equity, Consolidated Cash Flow Statements and the attached Consolidated Annual Report, which consists of 28 Notes.

REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

Consolidated Balance Sheets  
31 December 2022 and 2021  
(expressed in Euros)

<u>Equity and liabilities</u>	<u>Note</u>	<u>2022</u>	<u>2021</u>
<b>Shareholders' Equity</b>	<b>14</b>	<b>10,479,406.20</b>	<b>12,678,058.79</b>
Capital		1,375,400.00	1,377,700.00
Share premium		0.00	0.00
Reserves		11,459,814.54	13,360,739.19
Prior years losses		-1,664,113.45	-1,649,867.40
Capital increase		83,482.64	83,482.64
Profit for the year attributable to the parent company		501,178.63	548,619.98
<b>Reserves in consolidated companies</b>			
Reserves in fully consolidated companies		-372,967.65	-294,443.10
Reserves in fully consolidated companies		0.00	0.00
Adjustments through changes in value		-903,388.51	-748,172.52
Translation differences			
<b>Grants, donations and legacies received</b>	<b>15</b>	<b>0.00</b>	<b>0.00</b>
<b>External partners</b>		<b>0.00</b>	<b>0.00</b>
<b>Total equity</b>		<b>10,479,406.20</b>	<b>12,678,058.79</b>
<b>Long-term provisions</b>		<b>33,392.71</b>	<b>16,479.35</b>
Other provisions		33,392.71	16,479.35
<b>Long-term debts</b>	<b>16 and 17</b>	<b>9,169,811.35</b>	<b>10,231,873.80</b>
Debts with credit entities		8,165,441.28	9,061,238.16
Finance lease payables		53,712.49	46,111.13
Other financial liabilities		950,657.58	1,124,524.51
<b>Long-term debts with group and associate companies</b>		<b>0.00</b>	<b>0.00</b>
Other debts		0.00	0.00
<b>Deferred tax liabilities</b>	<b>19</b>	<b>1,270.00</b>	<b>1,270.00</b>
<b>Total Non-current liabilities</b>		<b>9,204,474.06</b>	<b>10,249,623.15</b>
Liabilities linked to non-current assets held for sale		0.00	0.00
Short-term provisions		27,680.51	5,275.24
<b>Short-term debts</b>	<b>16 and 17</b>	<b>14,613,127.54</b>	<b>13,784,811.28</b>
Debts with credit entities		14,389,601.59	13,534,970.64
Finance lease payables		40,136.55	66,503.57
Other financial liabilities		183,389.40	183,337.07
<b>Short-term amounts owed to group and associated companies</b>	<b>16 and 17</b>	<b>288,449.00</b>	<b>144,146.57</b>
<b>Trade and other accounts payable</b>	<b>16 and 17</b>	<b>17,177,900.90</b>	<b>14,180,274.21</b>
Suppliers		14,160,152.00	11,803,496.65
Suppliers, group and associate companies		617,675.40	55,530.64
Staff (outstanding salaries)		14,011.48	22,819.28
Deferred tax assets	<b>19</b>	11,298.74	75,368.81
Other debts with Public Authorities	<b>19</b>	758,045.86	522,538.05
Client advances		1,616,717.42	1,700,520.78
<b>Short-term accruals and deferrals</b>	<b>18</b>	<b>193,860.52</b>	<b>562,953.03</b>
<b>Total current liabilities</b>		<b>32,301,018.47</b>	<b>28,677,460.33</b>
<b>Total equity and liabilities</b>		<b>51,984,898.73</b>	<b>51,605,142.27</b>

The Consolidated Annual Accounts of the Company, which form a single unit, comprise these Balance Sheets, the attached Consolidated Profit and Loss Accounts, Consolidated Statement of Changes in Equity, Consolidated Cash Flow Statements and the attached Consolidated Annual Report, which consists of 28 Notes.

REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

Consolidated profit and loss account  
for the financial years ended  
31 December 2022 and 2021  
(expressed in Euros)

ONGOING OPERATIONS	Note	2022	2021
<b>Net turnover</b>	<b>21</b>	<b>46,798,415.17</b>	<b>38,770,934.81</b>
Sales		34,086,903.13	28,683,143.57
Service provision		12,711,512.04	10,087,791.24
<b>Variation in inventories of finished products</b>		<b>-3,278,633.41</b>	<b>-2,927,603.42</b>
<b>Work performed by the company for its assets</b>		<b>2,538,265.60</b>	<b>2,132,153.56</b>
<b>Inventory supplies</b>	<b>21</b>	<b>-26,181,636.69</b>	<b>-22,230,721.39</b>
Goods consumed		-14,373,842.27	-12,109,628.75
Raw materials and other consumables		1,246,093.82	218,504.75
Work performed by other companies		-13,057,893.24	-10,307,394.67
Impairment of commodities, raw materials and other supplies	<b>11</b>	4,005.00	-32,202.72
<b>Other operating income</b>		<b>39,501.61</b>	<b>37,409.79</b>
Accessory and other operating revenues		19,461.82	37,409.79
Operating grants included in result for the financial year	<b>15</b>	20,039.79	0.00
<b>Staff expenses</b>	<b>21</b>	<b>-11,145,629.47</b>	<b>-9,613,361.68</b>
Wages, salaries, and related costs		-7,993,888.27	-6,980,891.33
Social benefit expenses:		-3,151,741.20	-2,632,470.35
<b>Other operating expenses</b>		<b>-4,587,131.99</b>	<b>-3,878,821.03</b>
External services		-4,560,370.06	-3,642,053.42
Taxes		2,413.69	-176,839.60
Losses, impairment and variation of provision through trade operations		-29,175.63	-59,928.01
<b>Depreciation of fixed assets</b>		<b>-1,517,617.23</b>	<b>-1,437,441.80</b>
<b>Allocation of non-financial fixed asset subsidies and others</b>		<b>0.00</b>	<b>0.00</b>
<b>Impairment and profit/losses through disposals of fixed assets</b>		<b>6,582.95</b>	<b>210,442.53</b>
Impairment		0.00	0.00
Results through disposals and others		6,582.95	210,442.53
<b>Other results</b>		<b>19,606.78</b>	<b>21,922.44</b>
<b>Operating Profit/Loss</b>		<b>2,691,723.32</b>	<b>1,084,913.81</b>
<b>Financial revenue</b>		<b>149,755.79</b>	<b>163,128.51</b>
Stakes in equity instruments		14,880.81	14,767.69
In non-consolidated group companies and associates		14,880.81	13,039.44
In third parties		0.00	1,728.25
Tradeable securities and other financial instruments		134,874.98	148,360.82
Group companies		135,158.63	129,766.23
In third parties		-283.65	18,594.59
<b>Financial expenses</b>		<b>-874,261.25</b>	<b>-672,904.87</b>
From debts with Group and associated companies		-767.09	-1,139.30
Through debts with third parties		-873,494.16	-671,765.57
<b>Changes in fair value on financial instruments</b>		<b>-3,756.35</b>	<b>-30.90</b>
Tradeable portfolio and others		-3,756.35	-30.90
<b>Exchange rate differences</b>		<b>-1,398,519.06</b>	<b>59,192.02</b>
<b>Impairment and profit/loss through sales of financial instruments</b>		<b>-14,922.65</b>	<b>-22,029.64</b>
Impairments and losses		0.00	0.00
Results through disposals and others		-14,922.65	-22,029.64
<b>Financial result</b>		<b>-2,141,703.52</b>	<b>-472,644.88</b>
<b>Share in profits (losses) of companies accounted for using the equity method</b>		<b>0.00</b>	<b>0.00</b>
<b>Profit before tax</b>		<b>550,019.80</b>	<b>612,268.93</b>
<b>Corporation Tax</b>	<b>19</b>	<b>-48,841.17</b>	<b>-63,648.96</b>
<b>Profit/Loss for the year from continuing operations</b>		<b>501,178.63</b>	<b>548,619.97</b>
<b>Profit/Loss for the financial year</b>		<b>501,178.63</b>	<b>548,619.97</b>
<b>Profit for the year attributable to the parent company</b>		<b>501,178.63</b>	<b>548,619.97</b>
<b>Profit attributable to external partners</b>		<b>0.00</b>	<b>0.00</b>

The Consolidated Annual Accounts of the Company, which form a single unit, comprise these Balance Sheets, the attached Consolidated Profit and Loss Accounts, Consolidated Statement of Changes in Equity, Consolidated Cash Flow Statements and the attached Consolidated Annual Report, which consists of 28 Notes.

REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity for the years ended  
31 December 2022 and 31 December 2021

A) Consolidated Statements of Recognised Income and Expense for the years ended 31 December  
2022 and 2021

(Expressed in thousands of euros)

	2022	2021
<b>Profit and loss account result</b>	<b>501,178.63</b>	<b>548,619.97</b>
<b>Transfers to the profit and loss account</b>		
Grants, donations and legacies received	-	-
Tax effect	-	-
<b>Total transfers to the profit and loss account</b>	<b>-</b>	<b>-</b>
<b>Total recognised income and expenses</b>	<b>501,178.63</b>	<b>548,619.97</b>

REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES)

Consolidated Statements of Changes in Equity for the years ended 31 December 2022 and 2021

B) Consolidated statement of changes in equity

(expressed in Euros)

	Capital	Capital contributions	Reserves	Profit /loss of prior years	Reserves in fully consolidated by global integration	Profit / loss of the year attributed to the parent company	Subventions, donations and legacies received	Adjustment by exchange differences	Total
Balance at 1 January 2021	1,377,700.00	83,482.64	13,360,739.19	(1,843,702.98)	(545,258.45)	384,996.41	-	(471,598.72)	12,346,358.10
Total recognised revenue and expenses						548,619.97			548,619.97
Total recognised revenue and expenses Integrations				0.01				(183,261.98)	(183,261.97)
Total recognised revenue and expenses JVs				(187.45)					(187.45)
Distribution of profit/loss / (loss) of the year				179,927.02	205,069.39	(384,996.41)			-
Other movements				14,096.00	45,745.96			(93,311.82)	(33,469.86)
Balance at 31 December 2021	1,377,700.00	83,482.64	13,360,739.19	(1,649,867.40)	(294,443.10)	548,619.88	-	(748,172.52)	12,678,058.79
Total Consolidated recognised income and expense						501,178.63			501,178.63
Recognised income and expenses Integrations								(67,479.96)	(67,479.96)
Recognised revenue and expenses JVs				(150.05)					(150.05)
Distribution of profit / (loss) for the year			641,240.53		(92,620.55)	(548,619.98)			-
Dividends			(641,240.53)						(641,390.58)
Partial spin-off (See note 26)	(2,300.00)		(1,900,924.65)						(1,903,224.65)
Other movements				(14,096.00)	14,096.00			(8,736.03)	(87,736.03)
Balance at 31 December 2022	1,375,400.00	83,482.64	11,459,814.54	(1,664,113.45)	(372,967.65)	501,178.63	-	(903,388.51)	10,479,406.20

The Consolidated Annual Accounts of the Company, which form a single unit, comprise these Balance Sheets, the attached Consolidated Profit and Loss Accounts, Consolidated Statement of Changes in Equity, Consolidated Cash Flow Statements and the attached Consolidated Annual Report, which consists of 28 Notes.

REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

Consolidated Statements of Cash Flows for the years ended 31 December 2022 and 2021

(expressed in Euros)

	2022	2021
<b>Profit/Loss for the financial year before taxes</b>	<b>550,019.80</b>	<b>612,268.93</b>
<b>Adjustments to profit and loss</b>	<b>881,118.91</b>	<b>1,832,705.73</b>
Depreciation of fixed assets	1,517,617.23	1,437,441.80
Valuation corrections through impairment	14,922.65	22,029.64
Changes in provisions	29,175.63	14,708.44
Imputation of subsidies	-	-
Profit/Loss from withdrawals and disposals of fixed assets	(6,582.95)	(210,442.53)
Financial revenue	(149,755.79)	(163,128.51)
Financial expenses	874,261.25	672,904.87
Exchange rate differences	(1,398,519.06)	59,192.02
<b>Changes in working capital</b>	<b>96,958.71</b>	<b>(266,328.11)</b>
Inventory stock	(3,253,868.00)	(1,136,314.29)
Loans and receivables	1,303,697.43	(1,099,003.13)
Other current assets	(295,320.46)	(230,401.65)
Trade and other accounts payable	2,342,449.74	2,199,390.95
Other non-current assets and liabilities	0.00	0.01
<b>Other cash flows from operating activities</b>	<b>(724,505.46)</b>	<b>(509,776.36)</b>
Interest payments	(874,261.25)	(672,904.87)
Collection of interests	149,755.79	163,128.51
<b>Cash flows from operating activities</b>	<b>803,592.01</b>	<b>1,668,870.19</b>
<b>Payments through investments</b>	<b>(2,788,113.49)</b>	<b>(2,426,561.05)</b>
Intangible fixed assets	(2,018,807.61)	(1,982,847.19)
Property, plant and equipment	(769,305.88)	(503,713.86)
Equity instruments	-	60,000.00
<b>Divestment proceeds</b>	<b>263,439.59</b>	<b>420,438.83</b>
Group companies and associates	159,150.81	(50,170.03)
Intangible fixed assets	-	-
Property, plant and equipment	93,481.11	445,534.97
Other financial assets	10,807.67	25,073.89
<b>Cash flows from investment activities</b>	<b>(2,524,673.90)</b>	<b>(2,006,122.22)</b>
<b>Proceeds and payments for financial liability instruments</b>	<b>(67,630.01)</b>	<b>(3,522.40)</b>
Impairment of equity instruments	(67,630.01)	(3,522.40)
<b>Proceeds and payments for financial liability instruments</b>	<b>80,205.59</b>	<b>1,583,223.79</b>
Issue		
Debts with credit entities	1,577,651.39	1,480,173.12
Debts with group companies	314,029.93	306,292.54
Repayment and amortisation		
Debts with credit entities	(1,811,475.73)	(203,241.87)
Debts with group companies	-	-
<b>Payments through dividends and returns on other equity instruments</b>	<b>(641,240.53)</b>	<b>-</b>
Dividends	(641,240.53)	-
<b>Cash flow from financing activities</b>	<b>(628,664.95)</b>	<b>1,579,701.39</b>
<b>Effect of foreign exchange rate changes</b>	<b>(1,398,519.06)</b>	<b>(59,192.02)</b>
<b>Net increase/decrease in cash or cash equivalents</b>	<b>(951,227.78)</b>	<b>1,183,257.34</b>
Cash or cash equivalents at the beginning of the financial year	1,650,742.48	467,485.14
Cash and cash equivalents at the end of the financial year	699,514.70	1,650,742.48

The Consolidated Annual Accounts of the Company, which form a single unit, comprise these Balance Sheets, the attached Consolidated Profit and Loss Accounts, Consolidated Statement of Changes in Equity, Consolidated Cash Flow Statements and the attached Consolidated Annual Report, which consists of 28 Notes.

**(1) Nature, Activities of the Company and Composition of the Group**

Reventa Ingenieros, S.A. (the Parent Company) was incorporated as a public limited company on 21 December 1972 for an indefinite period of time. Its registered office is at Calle La Fragua, 6, Tres Cantos, Madrid.

The Company's corporate purpose and main activity consists of:

- Manufacture, supply, installation and marketing of telecommunications, electronic and electrical products, as well as advice on technical projects.
- Supply and installation of thermography solutions applied to security, fire detection, anti-intrusion, vehicle control, port control, border control, industrial quality and safety processes, rail transport, road transport, air transport and any industrial and commercial sector where this infrared technology is applied.
- Development of software applications and consultancy services in the fields mentioned above.
- Any other type of technical-commercial activity directly related to those mentioned in the previous section.
- National and international wholesale commercial distribution.

On 14 December 2022, the deed of partial spin-off was executed whereby Reventa Ingenieros, S.A. transferred part of its assets forming an economic unit, consisting of its real estate activity, to Grassland Servicios Agropecuarios, S.L. The relevant effects of the demerger are explained in notes 6 and 14 and 26.

Reventa Ingenieros S.A.U. participates in several joint ventures with other companies outside the group, which have been included in the annual accounts in accordance with the criteria set out in note 4 (d).

The sole shareholder of the Company is Grupo Reventa Ingenieros, S.L. and therefore, by virtue of the provisions of Law 2/1995 of 23 March 1995, the Company is a sole shareholder. This situation has been registered in the Commercial Registry of Madrid. For this reason, and in accordance with article 128 of the aforementioned Law, note 19 expressly mentions the significant contracts entered into between the Company and its sole shareholder, indicating their conditions and nature.

The parent company has holdings in subsidiaries (see note (4.a)). As a result, the Company is the parent company of a group of companies in accordance with current legislation. The presentation of consolidated financial statements is required, in accordance with generally accepted accounting principles and standards, to present fairly the financial position and results of operations, changes in equity and cash flows of the Group.

Notwithstanding the foregoing, the Parent Company is not obliged to present consolidated annual accounts because the subgroup is integrated in the Spanish parent group headed by Grupo Reventa Ingenieros, S.L. (Tax ID: B- 84871805) in accordance with Article 43(2) of the Commercial Code. The fiscal and social address of Grupo Reventa Ingenieros, S.L. is Calle La Fragua, 6, Tres Cantos, Madrid.

However, the Company has decided to prepare these consolidated financial statements for the benefit of its shareholders and potential new investors, which is why these consolidated financial statements are prepared for the financial years 2022 and 2021.

**(2) Basis of presentation**

**(a) True and fair view**

The accompanying consolidated annual accounts were prepared on the basis of the accounting records of Revenga Ingenieros, S.A. and its subsidiaries. The consolidated annual accounts for 2022 have been prepared in accordance with current mercantile legislation and the rules established in the General Accounting Plan approved by Royal Decree 1514/2007, of 16 November, applying the amendments made thereto by Royal Decree 1159/2010, of 17 September, as amended by Royal Decree 602/2016, of 2 December and Royal Decree 1/2021, of 12 January, in order to present a true and fair view of the Company's equity and financial position at 31 December 2022 and of the results of its operations, changes in equity and cash flows for the year then ended.

**(b) Comparison of Information**

The consolidated annual accounts are presented for comparative purposes, with each of the items of the balance sheet, the profit and loss account, the statement of changes in equity, the cash flow statement and the notes to the financial statements all being consolidated, in addition to the figures for the financial year 2022, the figures for the previous financial year, which form part of the consolidated annual accounts for the financial year 2021. The year 2021 is not presented in comparison with the previous year, as this is the first year in which the parent company and its subsidiaries are consolidated.

**(c) Functional and presentation currency**

The Consolidated annual accounts are presented in euros, which is Group's functional and presentation currency.

**(d) Critical issues in the measurement and estimation of significant uncertainties and judgements in the application of accounting policies**

The preparation of the annual accounts requires the application of significant accounting estimates and the making of judgements, estimates and assumptions in the process of applying the Group's accounting policies. In this respect, a breakdown of the aspects requiring a greater degree of judgement or which are more complex, or where the assumptions and estimates made are significant to the preparation of the annual accounts, is as follows:

□ **Recognition of orders under fixed-price contracts with a low rate of progress**

A major part of the Group's activities is carried out under fixed-price contracts. The Group recognises contract assignments on a percentage-of-completion basis. This method is based on the estimation of the progress of contracts. Depending on the methodology for determining contract progress, significant estimates include total contract costs, remaining completion costs, total contract revenue, contract risks and other judgements. The Parent's management continuously reviews all contract estimates and adjusts them accordingly. The Group recognises provisions for onerous contracts when the estimated total costs exceed expected contract revenues. These estimates are subject to change based on new information on the degree of progress.

□ Research and development

The Group capitalises research and development expenses incurred on a specific and individualised project when the cost is clearly established so that it can be spread over time and a strict relationship can be established between the research "project" and the objectives pursued and achieved and the conditions set out in the Group's applicable accounting framework are met (see note 4 (f)).

□ Impairment of fixed assets

On an annual basis, the Parent Company's management assesses any indications of impairment in the value of property, plant and equipment and investment property. In those cases where the investees in which the assets are recorded show negative results, it is considered that there are indications of impairment, in which case the Group tests these assets for impairment to determine whether the recoverable amount of these investments is higher than their carrying amount. Recoverable amount is the higher of fair value less costs to sell and value in use. The Group usually employs discounted cash flow methods to determine these values. The discounted cash flow calculations are based on 5-year projections of the Group's approved budgets. The flows take into account past experience and represent the Group's best estimate of future market developments. Cash flows from year 5 onwards are extrapolated using individual growth rates. Key assumptions in determining fair value less costs to sell and value in use include growth rates, weighted average capital ratio and tax rates. Estimates, including the methodology used, can have a significant impact on values and impairment losses.

□ Valuation adjustment for insolvency of clients.

Valuation allowance for bad debts The valuation allowance for bad debts of clients involves a high degree of judgement by management and the review of individual balances based on the credit quality of the clients, current market trends and historical analysis of bad debts.

(e) Going concern principle

As at 31 December 2022 current assets exceed current liabilities by 342 thousand euros (as at 31 December 2021 current assets exceeded current liabilities by 2,878 thousand euros). Current liabilities include loans, leasing, credit facilities and discount lines with financial institutions amounting to 2,559 thousand euro, 40 thousand euro, 155 thousand euro and 11,676 thousand euro, respectively (1,571 thousand euro, 66 thousand euro, 249 thousand euro and 11,715 thousand euro at 31 December 2021, respectively) (see note 17 (a)) (see note 17 (a)).

The directors prepare these consolidated financial statements on a going concern basis as they consider that this situation does not give rise to uncertainty as to the application of the going concern principle. In any event, the Group has generated profits and positive EBITDA in 2022 and 2021 and the Parent's Sole Shareholder has indicated its intention to continue to provide the required financial and operational support to ensure compliance with short-term obligations.

(f) Changes in accounting criteria

There have been no changes in accounting policies.

(g) Grouping of items

For the purposes of facilitating understanding of the consolidated balance sheet, the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement, these statements are grouped together and the required analyses are included in the relevant notes to the consolidated financial statements.

**(3) Distribution / (Implementation) of Results**

The proposed distribution of the Parent Company's profit for the year ended 31 December 2021 approved by the Sole Shareholder on 15 July 2022 was to distribute the entire profit for the year as a dividend to the shareholder.

The proposed application of the Parent Company's 2022 result to be presented to the Sole Shareholder is as follows:

	<b>Euros</b>
Basis of distribution (loss) of the year	<u><u>629,709.52</u></u>
Distribution Prior years losses	<b>629,709.52</b>

At 31 December, the amounts of non-distributable reserves correspond to the legal reserve.

**(4) Accounting and valuation standards**(a) Basis of consolidation

Subsidiaries, including special purpose entities, are defined as companies over which the Parent Company, directly or indirectly through subsidiaries, exercises control, as provided for in Article 42 of the Spanish Commercial Code. Control shall mean the power to govern the financial and operating policies so as to obtain benefits from its activities, including potential voting rights exercisable or convertible at the end of the accounting period held by the Group or third parties.

For the sole purpose of presentation and breakdown, group companies are considered to be those that are controlled by any means by one or more natural or legal persons acting jointly or under single management by virtue of agreements or statutory clauses.

The subsidiaries have been consolidated using the full consolidation method.

The subsidiaries have been consolidated using the full consolidation method.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

Information on subsidiaries included in the Group's consolidation is set out below. All subsidiaries have been incorporated by the parent company without having acquired any of them.

## The breakdown of shareholdings in subsidiaries at 31 December 2022

Company	Registered office	Activity	Auditor	Group Company holder	Shareholding	
					% shareholding	Investment
<b>Group companies</b>						
Revenga Seguridad S.A.	La Fragua, 6, Tres Cantos (Madrid)	Installation and maintenance of equipment, devices and safety systems.	-	Revenga Ingenieros S.A.	100%	870,250.00
RSS Colombia, S.A.S.	Bogota, Colombia	Consultancy, advice, marketing and software and hardware and telecommunication installations	-	Revenga Ingenieros S.A.	100%	2,000.00
RSS Smart Mobility, S.A. (ex Nijarca)	Montevideo, Uruguay,	Consultancy, advice, marketing and software and telecommunication installations	-	Revenga Ingenieros S.A.	100%	7,786.12
Consorcio Globe Revenga, S.A.	Santiago de Chile, Chile	Consultancy, advice, marketing and software and hardware and telecommunication installations		Revenga Ingenieros S.A.	50%	5,742.77
						<b>885,778.89</b>

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

## The breakdown of shareholdings in subsidiaries at 31 December 2021

Company	Registered office	Activity	Auditor	Group company holder	Shareholding	
					% shareholding	Investment
<b>Group companies</b>						
Revenga Seguridad S.A.	La Fragua, 6, Tres Cantos (Madrid)	Installation and maintenance of security equipment, devices and systems.	-	Revenga Ingenieros S.A.	100%	870,250.00
RSS Colombia, S.A.S.	Bogota, Colombia	Consultancy, advice, marketing and installation of software and telecommunications equipment	-	Revenga Ingenieros S.A.	100%	2,000.00
RSS Smart Mobility, S.A. (ex Nijarca)	Montevideo, Uruguay,	Consultancy, advice, marketing and installation of software and telecommunications equipment	-	Revenga Ingenieros S.A.	100%	7,786.12
Consortio Globe Revenga, S.A.	Santiago de Chile, Chile	Consultancy, advice, marketing and installation of software and telecommunications equipment		Revenga Ingenieros S.A.	50%	5,742.77
						<b>885,778.89</b>

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

Information on companies excluded from consolidation because they are not materially relevant to the true and fair view to be given in the consolidated annual accounts is set out below.

## Breakdown of investments in subsidiaries excluded from the scope of consolidation 2022

(Expressed in Euros)

Company	Registered office	Activity	Auditor	Group Company holder	Shareholding	
					% shareholding	Investment
Revenga Ingenieros SA (Egypt)	5D/5 El Laselky St., New Maadi, Maadi, El Cairo	Consultancy, advice, marketing and installation of software and telecommunications equipment		Revenga Ingenieros, S.A.	100%	508.28
Revenga Brasil Solucoes em Tecnologia Ltda.	R. Pais Leme 215 Conj. 2913, Pinheiros, Sao Paulo, Brazil	Consultancy, advice, marketing and installation of software and telecommunications equipment	-	Revenga Ingenieros S.A.	100%	-177.83
						<b>330.45</b>

## Breakdown of investments in subsidiaries excluded from the scope of consolidation 2021

(Expressed in Euros)

Company	Registered office	Activity	Auditor	Group Company holder	Shareholding	
					% shareholding	Investment
Revenga Ingenieros Polska SP. Z.O	Ul Chmielna 132/134 00805 Warszawa, PL	Installation and maintenance of security equipment, devices and systems.	-	Revenga Ingenieros S.A.	100%	-
Grupo Revenga Technologies Ecuador	s/ Catalina Aldaz, 245 Province: Pichincha , Canton Quito	Repair and maintenance of all types of telecommunications equipment		Grupo Revenga Ingenieros, S.L.	100%	2,327.54
						<b>2,327.54</b>

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

The income, expenses and cash flows of subsidiaries are included in the consolidated annual accounts from the date of acquisition, which is the date on which the Group effectively obtains control of the subsidiaries. Subsidiaries are excluded from consolidation from the date on which control is lost.

Transactions and balances with subsidiaries and unrealised gains or losses have been eliminated on consolidation.

The accounting policies of subsidiaries have been adapted to the Group's accounting policies for transactions and other events that are similar in nature and have occurred in similar circumstances.

The annual accounts or financial statements of the subsidiaries used in the consolidation process are as of the same reporting date and for the same period as those of the Company.

(b) External partners

External partners in incorporated subsidiaries are recorded at their percentage interest in the fair value of the identifiable net assets. External partners in subsidiaries were recognised at their percentage share in equity. External shareholders are recognised in equity in the consolidated balance sheet separately from equity attributable to the parent company. External partners' share of the profit or loss for the year is also presented separately in the consolidated profit and loss account.

The Group's and minority interests' share of the profit or loss and changes in equity of subsidiaries, after consolidation adjustments and eliminations, is determined on the basis of the percentages of ownership existing at year-end, without considering the possible exercise or conversion of potential voting rights and after deducting the effect of dividends, whether or not declared, on preference shares with cumulative rights that have been classified in equity accounts.

The results and income and expenses recognised in equity of subsidiaries are allocated to equity attributable to the parent company and to minority interests in proportion to their holdings, even if this results in a balance receivable from minority interests. Agreements entered into between the Group and external partners are recognised as a separate transaction.

(c) Associates

Associates are companies over which the Parent Company, either directly or indirectly through subsidiaries, exercises significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over the investee. The existence of potential voting rights that are exercisable or convertible at the end of each reporting period, including potential voting rights held by the Group or other third parties, are considered when assessing whether an entity has significant influence.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

(d) Joint businesses

Joint ventures are defined as those in which there is a statutory or contractual agreement to share control over an economic activity, such that strategic financial and operating decisions relating to the activity require the unanimous consent of the Company and the other venturers.

For jointly controlled operations and assets, the Group recognises in the consolidated financial statements the assets under its control, the liabilities it has incurred and its proportionate share, based on its percentage ownership of the jointly controlled assets and jointly incurred liabilities, as well as the portion of revenues from the sale of goods or the rendering of services and the expenses incurred by the joint venture. In addition, the statement of changes in equity and the statement of cash flows also incorporate the Group's proportionate share under the agreements reached.

Reciprocal transactions, balances, income, expenses and cash flows have been eliminated in proportion to the Group's interest in the joint ventures.

Unrealised gains or losses on the Group's non-cash contributions or downstream transactions with joint ventures are recognised on the basis of the substance of the transactions. In this regard, if the assets transferred are retained in the joint ventures and the Group has transferred the significant risks and rewards of ownership, only the proportionate share of the profits or losses that correspond to the other venturers is recognised. In addition, unrealised losses are not eliminated to the extent that they constitute evidence of impairment of the transferred asset.

Profits or losses on transactions between joint ventures and the Group are only recognised for the proportionate share of such profits or losses that corresponds to the other venturers, applying the same recognition criteria in the case of losses as described in the preceding paragraph.

The Group has made the required valuation and timing adjustments in order to include the joint ventures in the consolidated financial statements.

The information relating to joint ventures, which take the form of Temporary Joint Ventures (JVs), is shown below:

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

## Information relating to Joint Ventures 31 December 2022

Name	Address	Activity	% shareholding			Euros
			Direct	Indirect	Total	Turnover
CAFSREVFCC-VANDELLÓS, Unión Temporal de Empresas (JV Vandellós)	Alcobendas - Madrid	Execution of the works and maintenance of the construction project. of the interlocking installations, train protection systems, fixed telecommunications, centralised traffic control, auxiliary systems and protection and safety systems for the connection of the Mediterranean corridor with the Madrid-Barcelona-French border high-speed railway line, Valdellós-Camp de Tarragona section.	26%	-	26%	419,793.35
CAF Signalling, S.L., Revenga Ingenieros, S.A. and FCC Industrial e Infraestructuras Energéticas, S.A., Unión Temporal de Empresas (JV Monforte)	Alcobendas - Madrid	Drafting of construction projects, execution of works, conservation and maintenance of interlocking installations, train protection system, centralised traffic control, auxiliary detection systems, fixed telecommunications, GSM-R and protection and security installations on the Madrid-Levante high-speed train line, Monforte del Cid-Murcia section. Execution of the works entitled "Adaptation of the technical premises in stations for RENFE TRAVELLERS services in stations of the Barcelona Core-Group 4, Lot 4, Total Group (Lot 1 + 2 + 3), as well as the complements and accessories that may be produced, awarded by RENFE.	26%	-	26%	1,524,447.89
Sociedad Ibérica de Construcciones Ibéricas, S.A. (SICE) and Revenga Ingenieros, S.A., Unión Temporal de Empresas (JV Locales de Barcelona Lote 4)	Alcobendas	Execution of several operations for the contract "Services, works and supplies for the maintenance and operation of the ITS installations on the roads managed by the management centres of the Directorate General of Traffic".	40%	-	40%	0.00
Revenga Ingenieros, S.A. y Aceinsa Movilidad, S.A. DGT-ITS MÁLAGA UNION TEMPORAL DE EMPRESAS (JV Conservación Málaga DGT-ITS)	Tres Cantos - Madrid	Execution of maintenance work on video surveillance and anti-intrusion systems in ETS railway network installations. Lots 2 and 3.	50%	-	50%	866,482.91
Revenga Ingenieros, S.A. - Revenga Seguridad, S.A. - Unión Temporal de Empresas (JV Mansegets)	Tres Cantos - Madrid	Execution of the works for the "Framework agreement for the installation and modernisation services for station control and security systems in Metro de Madrid".	80%	20%	100%	13,025.27
Revenga Ingenieros, S.A. - Revenga Seguridad, S.A. - Unión Temporal de Empresas (JV METRO-SEGEST)	Tres Cantos - Madrid	Implementation of the project "Evolutionary developments of the application system and central systems for the generation and management of virtual MUGI card profiles".	80%	-	80%	0.00
Revenga Ingenieros, S.A. - AMI Tecnologías para Transporte, S.A. - Unión Temporal de Empresas (JV REVENGA - AMI Solicitudes WEB)	Tres Cantos - Madrid	Execution of the works for the "Replacement of analogue IP cameras and renovation of the recording platform at Adolfo Suarez Madrid - Barajas Airport".	25%	25%	50%	21,932.39
FCC Industrial e Infraestructuras Energética, S.A.U. - Revenga Seguridad, S.A. - Revenga Ingenieros, S.A. - Unión	Madrid					

The accompanying notes form an integral part of the annual accounts for the financial year 2022 and 2021.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

Name	Address	Activity	% shareholding			Euros Turnover
			Direct	Indirect	Total	
Empora de Empresas (JV Aeropuerto Adolfo Suárez)						
FCC Industrial e Infraestructuras Energética, S.A.U. - Revenga Seguridad, S.A. - Revenga Ingenieros, S.A. - Unión Temporal de Empresas (JV Reforma CP Cordoba)	Seville	Execution of the "Cordoba penitentiary centre refurbishment" works.	50%	-	50%	1,339,694.33
AMI Tecnologias para el Transporte SA- Revenga Ingenieros SA Proyecto ALSA Implementation Lisboa and Porto – UNION TEMPORAL DE EMPRESAS (JV AMI REVENGA)	Tres Cantos - Madrid	Implementation for ALSA of the technological solution for the AML Authority. (Lisboa) and AMP (Oporto)	50%	-	50%	254,058.74
Revenga Ingenieros, S.A. - Revenga Seguridad, S.A. - Unión Temporal de Empresas (JV Migración IP Bilbao)	Tres Cantos - Madrid	Migration of Analogue Video Surveillance Systems from ETS to IP Systems - Phase II, as well as the works and services complementary and accessory to the main element.	80%	20%	100%	1.384,98
REVENGA INGENIEROS SA Y ACEINSA MOVILIDAD SA - UNION TEMPORAL DE EMPRESAS (JV PTA)	Tres Cantos - Madrid	Improvement of accessibility for public passenger transport to the Parque Tecnológico de Andalucía (Malaga), adaptation of the A-7056 road, BUS-VAO lane, as well as its accessory and complementary works and conservation works.	50%	-	50%	714,603.85
Revenga Ingenieros SA, Gertek Sociedad de Gestión y Servicios SA y Datik información Inteligente SL - Unión Temporal de Empresas (JV Lurradebus DFG)	Bilbao (Bizkaia)	Basic project for the evolution of the systems for operating assistance, passenger information and validation and sale of the regular inter-urban passenger transport service by road Lurraldebus.	40%	-	40%	499,996.20
GERTEK SOCIEDAD DE GESTIONES Y SERVICIOS SA Y REVENGA INGENIEROS SA -Union Temporal de Empresas (JV Comunicaciones Atxuri-Bolueta)	Bilbao (Bizkaia)	Communications work for the Atxuri-Bolueta tramway as well as auxiliary, accessory and complementary works, including any extensions and variations that may occur.	51.44%		51.44%	219.92
FCC Industrial e Infraestructuras Energéticas SA y Revenga Seguridad, S.A., Unión Temporal de Empresas (JV SICA)	Madrid	Sica Framework Agreement for the supply and installation of security equipment infrastructures 2018-2021	40%		40%	2,355.62
FCC Industrial e Infraestructuras Energéticas SA and Revenga Seguridad, S.A., Unión Temporal de Empresas (JV SIC II)	Madrid	Sica Framework Agreement supplies and installation of equipment infrastructure	50%		50%	0.00
						<b>5,657,965.45</b>

The accompanying notes form an integral part of the annual accounts for the financial year 2022 and 2021.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

## Information relating to Joint Ventures 31 December 2021

Name	Address	Activity	Direct	Indirect	Total	Turnover
CAFSREVFCC-VANDELLÓS, Unión Temporal de Empresas (JV Vandellós)	Alcobendas - Madrid	Execution of the works and maintenance of the construction project for the the interlocking installations, train protection systems, fixed telecommunications, centralised traffic control, auxiliary systems and protection and safety systems for the connection of the Mediterranean corridor with the Madrid-Barcelona-French border high-speed railway line, Valdellós-Camp de Tarragona section.	26%	-	26%	407,799.45
CAF Signalling, S.L., Revenga Ingenieros, S.A. and FCC Industrial e Infraestructuras Energéticas, S.A., Unión Temporal de Empresas (JV Monforte)	Alcobendas - Madrid	Drafting of construction projects, execution of works, conservation and maintenance of interlocking installations, train protection system, centralised traffic control, auxiliary detection systems, fixed telecommunications, GSM-R and protection and security installations on the Madrid-Levante high-speed train line, Monforte del Cid-Murcia section.	26%	-	26%	1,407,467.08
Sociedad Ibérica de Construcciones Ibéricas, S.A. (SICE) and Revenga Ingenieros, S.A., Unión Temporal de Empresas (JV Locales de Barcelona Lote 4)	Alcobendas	Execution of the works entitled "Adaptation of the technical premises in stations for RENFE TRAVELLERS services in stations of the Barcelona Core-Group 4, Lot 4, Total Group (Lot 1 + 2 + 3), as well as the complements and accessories that may be produced, awarded by RENFE.	40%	-	40%	24.00
Revenga Ingenieros, S.A. and Aceinsa Movilidad, S.A. DGT-ITS MÁLAGA UNION TEMPORAL DE EMPRESAS (JV Conservación Málaga DGT-ITS)	Tres Cantos - Madrid	Execution of several operations for the contract "Services, works and supplies for the maintenance and operation of the ITS installations on the roads managed by the management centres of the Directorate General of Traffic".	50%	-	50%	827,444.32
Marco Infraestructuras y Medio Ambiente, SAU - Revenga Ingenieros, S.A., Temporary Joint Venture (JV XANDU)	Zaragoza	Execution of the works corresponding to the "MALL ENTERTIMENT CENTER NICKELODEON XANADÚ PROJECT", as well as its accessory, complementary and conservation works.	50%	-	50%	0.00
Revenga Ingenieros, S.A. - Revenga Seguridad, S.A. - Unión Temporal de Empresas (JV Mansegets)	Tres Cantos - Madrid	Execution of maintenance work on video surveillance and anti-intrusion systems in ETS railway network installations. Lots 2 and 3.	80%	20%	100%	39,763.27
Revenga Ingenieros, S.A. - Revenga Seguridad, S.A. - Unión Temporal de Empresas (JV CCTVNEO FGC)	Tres Cantos - Madrid	Execution of the works for the "Works for the improvement of the security system of the new office building (NEO) of Ferrocarrils de la Generalitat de Catalunya".	80%	20%	100%	0.00
Revenga Ingenieros, S.A. - Revenga Seguridad, S.A. - Unión Temporal de Empresas (JV METRO-SEGEST)	Tres Cantos - Madrid	Execution of the works for the "Framework agreement for the installation and modernisation services for station control and security systems in Metro de Madrid".	80%	20%	100%	41,120.27
Revenga Ingenieros, S.A. - Aceinsa Movilidad, S.A. - Unión Temporal de Empresas (JV Túneles Zaragoza)	Alcorcón - Madrid	Execution of services for the "Project to adapt the Santa Isabel, Bubierca, Ateca and San Just tunnels to Royal Decree 635/2006. Province of Zaragoza and Teruel"	50%	-	50%	10,493.60
Revenga Ingenieros, S.A. - AMI Tecnologías para Transporte, S.A. - Unión Temporal de Empresas (JV REVENGA - AMI Solicitudes WEB)	Tres Cantos - Madrid	Implementation of the project "Evolutionary developments of the application system and central systems for the generation and management of virtual MUGI card profiles".	80%	-	80%	2,000.00

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

Name	Address	Activity	Direct	Indirect	Total	Turnover
FCC Industrial e Infraestructuras Energética, S.A.U. - Revenga Seguridad, S.A. - Revenga Ingenieros, S.A. - Unión Temporal de Empresas (JV Aeropuerto Adolfo Suarez)	Madrid	Execution of the works for the "Replacement of the analogue IP cameras and renovation of the recording platform at Adolfo Suarez Madrid - Barajas Airport".	25%	25%	50%	363,345.91
FCC Industrial e Infraestructuras Energética, S.A.U. - Revenga Seguridad, S.A. - Revenga Ingenieros, S.A. - Unión Temporal de Empresas (JV Reforma CP Cordoba)	Seville	Execution of the "Cordoba penitentiary centre refurbishment" works.	50%	-	50%	972,048.65
AMI Tecnologías para el Transporte SA- Revenga Ingenieros SA Proyecto ALSA Implementación Lisboa y Oporto - UNION TEMPORAL DE EMPRESAS (JV AMI REVENGA)	Tres Cantos - Madrid	Implementation for ALSA of the technological solution for the AML Authority (Lisbon) and AMP (Porto).	50%	-	50%	115,972.50
Revenga Ingenieros, S.A. - Revenga Seguridad, S.A. - Unión Temporal de Empresas (JV Migración IP Bilbao)	Tres Cantos - Madrid	Migration of Analogue Video Surveillance Systems from ETS to IP Systems - Phase II as well as works and services complementary and accessory to the main object.	80%	20%	100%	79,788.87
REVENGA INGENIEROS SA Y ACEINSA MOVILIDAD SA - UNION TEMPORAL DE EMPRESAS (JV PTA)	Tres Cantos - Madrid	Work to improve accessibility for public passenger transport to the Andalusia Technology Park (Malaga), adaptation of the A-7056 road, BUS-VAO lane, as well as its accessory, complementary and conservation works.	50%	-	50%	0.00
Revenga Ingenieros SA, Gertek Sociedad de Gestión y Servicios SA y Datik información Inteligente SL -Unión Temporal de Empresas (JV Lurradebus DFG)	Bilbao (Bizkaia)	Basic project for the evolution of the systems for operating assistance, passenger information and validation and sale of the regular inter-urban passenger transport service by road Lurraldebus.	40%	-	40%	219,104.43
GERTEK SOCIEDAD DE GESTIONES Y SERVICIOS SA Y REVENGA INGENEIROSA - Unión Temporal de Empresas (JV Comunicaciones Atxuri-Bolueta)	Bilbao (Bizkaia)	Communications work for the Atxuri-Bolueta tramway as well as auxiliary, accessory and complementary works, including any extensions and variations that may occur.	51%	-	51%	39,218.82
FCC Industrial e Infraestructuras Energéticas SA y Revenga Seguridad, S.A., Unión Temporal de Empresas (JV SICA)	Madrid	Sica Framework Agreement for the supply and installation of security equipment infrastructures 2018-2021	40%	-	40%	14,615.40
FCC Industrial e Infraestructuras Energéticas SA y Revenga Seguridad, S.A., Unión Temporal de Empresas (JV SIC II)	Madrid	Sica Framework Agreement for the supply and installation of security equipment infrastructures 2022-2021	50%	-	50%	0,00
						<b>4,540,206.57</b>

The accompanying notes form an integral part of the annual accounts for the financial year 2022 and 2021 2021.

The accompanying notes form an integral part of the annual accounts for the financial year 2022 and 2021.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

(e) Transactions, balances and flows in foreign currencies(i) Transactions, balances and flows in foreign currencies

Transactions in foreign currencies have been translated into euro by applying the spot exchange rate at the dates of the transactions to the foreign currency amount.

Monetary assets and liabilities denominated in foreign currencies have been translated into Euros at the closing rate, while non-monetary assets and liabilities measured at historical cost have been translated at the exchange rate prevailing at the transaction date.

Positive and negative exchange gains and losses arising on the settlement of foreign currency transactions and the translation into Euros of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

(ii) Translation of foreign operations

The translation into euro of foreign operations included in the annual accounts whose functional currency is not that of a country with a hyperinflationary economy has been carried out by applying the following criterion:

- Assets and liabilities and adjustments to net assets arising from the acquisition of the businesses are translated at the closing exchange rate of the balance sheet;
- Revenues and expenses are translated at the exchange rates prevailing on the date of each transaction at the average exchange rate for the monthly closing period, and
- Exchange differences resulting from the application of the above criteria are recognised as translation differences in equity.

In the presentation of the cash flow statement, flows from foreign currency transactions have been translated into euro by applying to the foreign currency amount the average exchange rate for the annual period for all flows occurring during that interval.

Exchange differences relating to foreign operations recognised in equity are recognised in the income statement when the foreign operation is disposed of or otherwise disposed of. Disposal can occur through liquidation, redemption of the investment or abandonment. The payment of a dividend constitutes a disposal to the extent that it represents a repayment of the investment.

(f) Intangible fixed assets

Assets included in intangible fixed assets are stated at acquisition or production cost, following the same principles as those used to determine the production cost of inventories. The cost of production is capitalised under the heading "Capitalised costs of production" in the profit and loss account. Intangible assets are stated in the balance sheet at cost less accumulated amortisation and accumulated impairment losses.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

*(i) Research and development*

Expenses related to research activities are recorded as an expense in the profit and loss account as incurred.

The Group capitalises development costs incurred on specific, activity-specific projects that meet the following conditions:

- The expenditure attributable to the realisation of the project can be reliably assessed.
- The allocation, assignment and time distribution of project costs are clearly established.
- There are well-founded reasons for technical success in the realisation of the project, both in the case of direct exploitation and in the case of sale to a third party of the result of the project once it is completed, if there is a market.
- The economic and commercial profitability of the project is reasonably assured.
- Funding to complete the project, the availability of adequate technical or other resources to complete the project and to use or sell the intangible asset are reasonably assured.
- It is intended to complete the intangible asset, to use it or to sell it.

Should the Group not be able to distinguish the research phase from the development phase, the expenses incurred are treated as research expenses.

*(ii) Computer applications*

Software purchased and developed in-house is recognised to the extent that it meets the conditions set out for development costs. Computer software maintenance costs are expensed as incurred.

*(iii) Subsequent costs*

Subsequent costs incurred on intangible assets are expensed unless they increase the expected future economic benefits of the assets.

*(iv) Useful life and amortisation rates*

The Group assesses whether the useful life of each intangible asset is finite or indefinite. An intangible asset is regarded as having an indefinite useful life when there is no foreseeable limit to the period over which the asset will generate net cash inflows.

Research expenses are amortised on a straight-line basis from the activation date over five years, and development expenses are amortised on a straight-line basis over 5 - 12 years from the date of completion of the projects, except in cases where it can be proven that the product has a longer useful life, in which case they are amortised over a longer number of years (see note 5).

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

Computer software is amortised on a straight-line basis over the five-year period during which it is expected to be used.

The Group reviews the residual value, useful life and amortisation method of intangible assets at the end of each reporting period. Changes to initially established criteria are accounted for as a change in accounting estimates.

(v) Impairment of fixed assets

The Group assesses and determines impairment losses and reversals of impairment losses on intangible assets in accordance with the criteria mentioned under (e) Impairment of non-financial assets subject to amortisation or depreciation.

(g) Property, plant and equipment

(i) Initial recognition

Assets included in property, plant and equipment are stated at acquisition or production cost, following the same principles as those used to determine the production cost of inventories. The cost of production is capitalised under the heading "Capitalised costs of production" in the profit and loss account. Ancillary revenues earned during the testing and commissioning period are recognised as a reduction of costs incurred. Property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and impairment losses.

(ii) Depreciation

Property, plant and equipment are depreciated by allocating the depreciable amount of the asset on a systematic basis over its useful life. The depreciable amount is the cost of an asset, less its residual value. The Group determines the depreciation charge separately for each component of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the asset and with a useful life that differs from that of the remaining components of the asset.

The amortisation of the elements of the property, plant and equipment is determined by applying the criteria set out below:

	Depreciation method	Estimated years of useful life
Constructions	Lineal	33 -50
Technical installations and machinery	Lineal	8-12
Other installations, tools and furniture	Lineal	3-10
Other Property, plant and equipment	Lineal	4-6

The Group reviews the residual value, useful life and depreciation method of property, plant and equipment at the end of each reporting period. Changes to initially established criteria are accounted for as a change in accounting estimates.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

*(iii) Subsequent costs*

Subsequent to initial recognition of the asset, costs incurred are expensed only to the extent that they result in increased capacity, productivity or a lengthening of the useful life of the asset, and the carrying amount of the replaced items is derecognised. In this regard, costs arising from the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

*(iv) Impairment of assets*

The Group assesses and determines impairment losses and reversals of impairment losses on property, plant and equipment in accordance with the criteria mentioned in section (e) Impairment of non-financial assets subject to depreciation or amortisation.

*(h) Value impairment of non-financial assets subject to amortisation or depreciation:*

The Group assesses the existence of indications of potential impairment of non-financial assets subject to amortisation or depreciation to determine whether the carrying amount of the assets exceeds their recoverable amount, which is the higher of fair value less costs to sell and value in use.

Furthermore, should the Group have reasonable doubts about the technical success or the economic and commercial profitability of ongoing research and development projects, the amounts recorded in the balance sheet are recognised directly in losses from intangible assets in the profit and loss account and are not reversible.

Impairment losses are recognised in the profit and loss account.

Recoverable amount is determined for each individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, recoverable amount is determined for the CGU to which the asset belongs.

The reversal of the impairment loss is recorded with a credit to the profit and loss account. However, the reversal of the loss cannot increase the carrying amount of the asset above the carrying amount that it would have had, net of depreciation, had the impairment not been recognised.

The amount of the reversal of the impairment loss of a CGU is allocated to the non-current assets of the CGU pro rata on the basis of the carrying amount of the assets, with the limit per asset being the lower of its recoverable amount and the carrying amount it would have had, net of depreciation, if the loss had not been recognised.

Following recognition of an impairment loss or reversal of an impairment loss, depreciation is adjusted in subsequent years to the new carrying amount.

Notwithstanding the foregoing, should the specific circumstances of the assets reveal a loss of an irreversible nature, this is recognised directly in losses on fixed assets in the profit and loss account.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

(i) Leases(i) Lessor accounting

Leasing contracts for which, at the inception of the contract, the Group transfers substantially all the risks and rewards incidental to ownership of the assets to third parties are classified as finance leases. Otherwise they are classified as operating leases.

(ii) Lease accounting

The Group had assigned the right of use of certain assets under lease contracts, but these assets have been spun off from the Group at the end of 2022 with accounting effect 01/01/2022. See Note 6 and 26.

Leases where the contract transfers substantially all the risks and rewards of ownership of the assets to the Group are classified as finance leases, otherwise they are classified as operating leases.

The Group assesses the economic substance of contracts in order to determine the existence of implicit leases. A contract is or contains a lease if fulfilment of the agreement depends on the use of a specific asset or assets. In these cases, the Group separates at the inception of the contract, based on their fair values, the lease payments and consideration for the lease from those for the other items included in the agreement. Lease payments are recorded by applying the criteria referred to in this section.

Joint leases of land and buildings are classified as operating or finance leases using the same criteria. In the event that the Group is not expected to acquire ownership of the land at the end of the lease term and the building qualifies as a finance lease, the minimum lease payments are allocated between the two components in proportion to the relative fair values represented by the lease rights.

*- Operating Leases*

Lease payments under operating leases, net of incentives received, are recognised as an expense on a straight-line basis over the lease term unless another systematic basis of allocation is more representative of the time pattern of lease income.

(j) Financial instruments(i) Recognition

The Group recognises a financial instrument when it becomes a party to the contract or legal transaction in accordance with the provisions of the contract or legal transaction.

Debt instruments are recognised from the date that the legal right to receive, or the legal obligation to pay, cash arises. Financial liabilities are recognised on the trade date.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

Financial asset purchase or sale transactions based on regular way contracts, defined as contracts in which the parties' reciprocal obligations must be performed within a time frame established by regulation or market convention and which cannot be settled net, are recognised on the trade or settlement date.

(ii) Classification and separation of financial instruments

Financial instruments are classified on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the economic substance of the contractual arrangement and the definitions of a financial asset, a financial liability and an equity instrument.

The Group classifies financial instruments into different categories on the basis of their characteristics and management's intentions at the time of initial recognition.

(iii) Offsetting principles

A financial asset and a financial liability are offset only when the Group currently has the enforceable right to offset the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

(iv) Loans and items receivable

Loans and receivables consist of trade receivables and non-trade receivables with fixed or determinable payments that are not quoted in an active market other than those classified in other financial asset categories. These assets are initially recognised at fair value, including transaction costs incurred, and are subsequently measured at amortised cost using the effective interest method.

However, financial assets which do not have a stated interest rate, the amount matures or is expected to be received in the short term and the effect of discounting is not material, are measured at nominal value.

(v) Investments in Group and associated companies excluded from the scope of consolidation

Investments in Group companies are initially recognised at cost, which is the fair value of the consideration given, including transaction costs incurred, and are subsequently measured at cost, less any accumulated impairment losses.

The acquisition cost of an investment in a group company includes the net book value of the investment immediately before the company is classified as a group company. Amounts previously recognised in equity are taken to profit or loss when the investment is derecognised or when there is an impairment loss or reversal of impairment in accordance with (j)(viii) Financial instruments - Impairment of non-financial assets.

If an investment no longer qualifies for classification in this category, it is reclassified to available-for-sale investments and is measured as such from the date of reclassification.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

(vi) Interest and dividends

Interest is recognised using the effective interest method.

(vii) Write-offs of financial assets

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

On derecognition of a financial asset in its entirety, the difference between its carrying amount and the sum of the consideration received, net of transaction costs, including any assets obtained or liabilities assumed and any gain or loss deferred in income and expense recognised in equity, is recognised in profit or loss.

(viii) Impairment of financial assets

A financial asset or group of financial assets is impaired and an impairment loss has been incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset and that loss event or events have an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The Group recognises impairment losses on loans and receivables and debt instruments when there has been a reduction or delay in the estimated future cash flows due to the debtor's insolvency.

In addition, in the case of equity instruments, impairment arises when the carrying amount of the asset is no longer recoverable due to a prolonged or significant decline in its fair value. In any case, the Group considers that the equity instruments have been impaired after a one and a half year and forty per cent fall in their price, without any recovery of their value.

□ *Impairment of financial assets measured at amortised cost*

For financial assets carried at amortised cost, the amount of the impairment loss is the difference between the carrying amount of the financial asset and the present value of estimated future cash flows, excluding future credit losses that have not been incurred, discounted at the asset's original effective interest rate. For floating rate financial assets, the effective interest rate at the valuation date according to the contractual terms is used. For debt instruments classified as held-to-maturity investments, the Group uses their market value, provided that it is sufficiently reliable to be considered representative of the value that could be recovered.

An impairment loss is recognised in profit or loss and is reversible in subsequent periods if the decrease can be objectively related to an event occurring after its recognition. However, the reversal of the loss is limited to the amortised cost that the assets would have had if the impairment loss had not been recognised.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

- *Investments in group companies excluded from the scope of consolidation and equity instruments measured at cost*

The impairment calculation is determined by comparing the carrying amount of the investment with its recoverable amount, understood as the higher of value in use or fair value less costs to sell.

In this regard, value in use is calculated on the basis of the Group's share of the present value of the estimated cash flows from ordinary activities and final disposal or the estimated cash flows expected to be received from the distribution of dividends and the final disposal of the investment.

However, in certain cases, unless there is better evidence of the recoverable amount of the investment, the estimate of the impairment of this type of asset takes into consideration the equity of the investee company, adjusted, where applicable, to the generally accepted accounting principles and standards under Spanish accounting legislation, adjusted by the net unrealised gains existing at the valuation date.

For these purposes, the carrying amount of the investment includes any monetary item receivable or payable, the settlement of which is neither contemplated nor likely to occur in the foreseeable future, excluding items of a commercial nature.

Reversals of impairment are recognised in subsequent periods, to the extent that there is an increase in recoverable amount, up to the limit of the carrying amount that the investment would have had if no impairment had been recognised.

Impairment losses or reversals of impairment are recognised in the income statement, except in those cases where they must be taken to equity, as indicated in section (g) Financial instruments, subsection (v) Investments in group companies.

The impairment loss on the investment is limited to the value of the investment, except in cases where the Group has assumed contractual, legal or constructive obligations or has made payments on behalf of the companies.

Impairment losses on equity instruments measured at cost are not reversible and are therefore recognised directly against the value of the asset.

(ix) Financial liabilities

Financial liabilities, including trade and other payables, that are not classified as held for trading or as financial liabilities at fair value through profit or loss are initially recognised at fair value less any transaction costs that are directly attributable to the issue of the financial liability. Following initial recognition, liabilities classified in this category are measured at amortised cost using the effective interest method.

However, financial liabilities which do not have a stated interest rate, the amount matures or is expected to be received in the short term and the effect of discounting is not material, are measured at nominal value.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

*(x) Confirming*

The Group has contracted reverse factoring facilities with various financial institutions to manage payments to suppliers. Trade liabilities whose settlement is managed by financial institutions are shown under "trade and other payables" in the consolidated balance sheet until they are settled, cancelled or expire.

In addition, debts owed to financial institutions as a result of the assignment of trade liabilities are recognised under "Trade and other payables" in the consolidated balance sheet under the heading "Trade and other payables".

In those cases in which the Group requests a deferral of the payment period of the debts initially held with trade creditors, these debts are cancelled on the original due date and a financial liability is recognised under "Bank borrowings" in the consolidated balance sheet.

*(xi) Deposits*

Deposits given as a result of lease contracts are valued in accordance with the criteria set out for financial assets. The difference between the amount paid and the fair value is recognised as a prepayment and taken to the profit and loss account over the lease term.

*(xii) Derecognition and modifications of financial liabilities*

The Group derecognises a financial liability or part of a financial liability when it either discharges the obligation contained in the liability or is legally released from primary responsibility for the liability either by process of law or by the creditor.

The Group recognises the difference between the carrying amount of the financial liability or part of the financial liability cancelled or transferred to a third party and the consideration paid, including any asset transferred other than cash or liability assumed, with a charge or credit to the profit and loss account.

*(k) Inventory stock*

Inventories are initially measured at acquisition or production cost.

The cost of acquisition includes the amount invoiced by the seller after deducting any discounts, rebates or other similar items, as well as interest incorporated in the nominal amount of the receivables, plus any additional costs incurred until the goods are located for sale and other costs directly attributable to the acquisition, and any indirect taxes not recoverable from the tax authorities.

Discounts granted by suppliers are recognised when it is probable that the conditions for granting them will be met as a reduction of the cost of the inventories that gave rise to them and the excess, if any, as a reduction of supplies in the profit and loss account.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

Purchase returns are charged as a reduction in the value of the stock being returned, unless it is not practicable to identify the stock being returned, in which case they are charged as a reduction in the value of the stock using the weighted average price method.

Sales returns are recognised at their acquisition or production cost using the weighted average price method, unless their net realisable value is lower, in which case they are recognised at that amount.

The production cost of inventories comprises the purchase price of raw materials and other consumables and the costs directly related to the units produced and a systematically calculated portion of indirect, variable or fixed costs incurred during the process of their transformation. Distribution of fixed indirect costs is made on the basis of the higher of normal production capacity or actual production.

For these purposes, income from grants, donations and legacies on productive assets is not considered as a reduction of the production cost of inventories.

Advances on account of inventories are valued at cost.

The cost of raw materials and other supplies, the cost of goods and the cost of transformation is allocated to the various units in inventories using the weighted average price method.

The cost value of inventories is subject to a valuation adjustment in those cases where their cost exceeds their net realisable value. Net realisable value is considered to be the following:

- For raw materials and other supplies, replacement cost. The Group does not recognise an impairment loss when it is expected that the finished products in which raw materials and other supplies are incorporated will be disposed of at or above production cost;
- For merchandise and finished goods, estimated selling price less costs to sell;
- For fixed-price contracts, the net realisable value for inventories held to fulfil sales or service contracts is the estimated contract selling price. Should sales contracts be for a quantity less than that reflected in inventories, the net realisable value of the excess is determined on the basis of estimated general sales prices.

The previously recognised impairment loss is reversed through profit or loss if the circumstances that caused the impairment no longer exist or when there is clear evidence of an increase in net realisable value as a result of changed economic circumstances. The reversal of the valuation adjustment is limited to the lower of the cost and the new net realisable value of the inventories.

Valuation adjustments and reversals of impairment losses on inventories are recognised against Changes in inventories of finished goods and work in progress and Procurements, depending on the type of inventories.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

**(l) Cash and other equivalent liquid assets**

Cash and cash equivalents include cash on hand and bank deposits held at call with credit institutions. They also include other short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. An investment normally qualifies as a cash equivalent when it has a maturity of three months or less from the date of acquisition.

The Group shows payments and receipts from financial assets and liabilities with a high turnover in the cash flow statement at their net amount. For these purposes, the turnover period is considered to be significant when the period between the date of acquisition and the maturity date does not exceed six months.

For the purposes of the consolidated cash flow statement, bank overdrafts payable on demand, which form part of the Group's cash management, are included as cash and cash equivalents. Bank overdrafts are recognised in the balance sheet as financial liabilities for bank borrowings.

**(m) Grants, donations and legacies received**

Grants, donations and bequests are recognised as income and expenses recognised in equity when they are formally awarded, the conditions for their award have been met and there are no reasonable doubts as to their receipt.

For grants, donations and legacies related to the development of research projects, the Group considers that the conditions for obtaining them have been met.

Grants awarded to finance specific expenses are charged to income in the year in which the financial expenses accrue.

Financial liabilities that incorporate implicit support in the form of the application of below-market interest rates are recognised initially at fair value. The difference between this value, adjusted where appropriate for the costs of issuing the financial liability and the amount received, is recorded as a government grant on the basis of the nature of the grants awarded.

Grants awarded by the Public Entity to finance activities of public or general interest are recognised in accordance with the criteria set out above for grants received from non-shareholder third parties. Grants given to ensure a minimum return or to offset operating deficits of the year or previous years are recognised as income under other operating income in the profit and loss account.

**(n) Severance payments**

Except in the event of justifiable cause, companies are obliged to compensate their employees when their services are terminated.

In the absence of any foreseeable need for abnormal termination of employment and given that employees who retire or voluntarily terminate their services do not receive severance payments, severance payments are expensed at the time the decision to terminate is made.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

(o) Provisions

Provisions are recognised when the Group has a present legal, contractual, constructive or constructive obligation as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

The amount recognised in the consolidated balance sheet is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period, taking into account all risks and uncertainties surrounding the amount to be recognised as a provision.

The financial effect of provisions is recognised as a finance cost in the consolidated profit and loss.

The tax effect and gains on the expected disposal of assets are not taken into account in measuring a provision.

If it is not probable that an outflow of resources will be required to settle an obligation, the provision is reversed.

(p) Revenue from the sale of goods and services

The Group recognises revenue in the ordinary course of business when (or as) control of the committed goods or services is transferred to the client. The Group then measures revenue at the amount that reflects the consideration to which it expects to be entitled in exchange for those goods or services.

Control of a good or service (an asset) refers to the ability to decide fully on the use of that item of property, plant and equipment and to obtain substantially all of its remaining benefits. Control includes the ability to prevent other entities from deciding on the use of and benefiting from the asset.

In order to apply this fundamental approach to revenue recognition, the Group follows a comprehensive process consisting of the following consecutive steps:

- a) Identify the contract(s) with the client, understood as an agreement between two or more parties that creates enforceable rights and obligations for them.
- b) Identify the obligation(s) to be fulfilled in the contract, representing commitments to transfer goods or provide services to a client.
- c) Determine the transaction price, or contract consideration to which the company expects to be entitled in exchange for the transfer of goods or provision of services committed to the client.
- d) Allocate the transaction price to the obligations to be fulfilled, which should be done on the basis of the individual selling prices of each distinct good or service committed to in the contract, or, where appropriate, on the basis of an estimate of the selling price when the selling price is not independently observable.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

- e) Recognise revenue when (as) the enterprise fulfils a committed obligation by transferring an asset or providing a service; fulfilment occurs when the client obtains control of that asset or service, so that the amount of revenue recognised is the amount allocated to the contractual obligation satisfied.

The Group recognises contract assignments on a percentage-of-completion basis. This method is based on the estimation of the progress of contracts. Depending on the methodology for determining contract progress, significant estimates include total contract costs, remaining completion costs, total contract revenue, contract risks and other judgements.

In those cases where at 31 December the costs recognised in accordance with the criteria described at the beginning of this note are lower than the amount invoiced to the client, the differences are shown under "Short-term accruals" (see note 20 (b)). On the other hand, project services rendered and not yet invoiced to clients are recognised in "work performed not yet invoiced" (see note 10 (c)). In addition, in the case of loss-making contracts, losses are recorded in full at the time they become known.

Discounts for prompt payment, volume or other discounts, as well as interest incorporated in the nominal amount of the receivables, are recorded as a reduction of the receivables.

However, the Group includes embedded interest on trade receivables maturing in less than one year that do not have a contractual interest rate, where the effect of not discounting cash flows is not material.

Fulfilment of the obligation over time

The Group is deemed to transfer control of an asset or service over time when the following criteria are met:

- a) The client both receives and absorbs the benefits provided by the Group's activity as the entity carries it out.

For contractual obligations that are due at a specific point in time, revenue arising from their performance shall be recognised at that date. Until this circumstance arises, costs incurred in the production or manufacture of the product (goods or services) are accounted for as inventories.

(q) Profit tax

The income tax expense or tax income for the year comprises current tax and deferred tax.

Current income tax assets or liabilities are measured at the amounts expected to be paid to or recovered from the taxation authorities, using tax rates and regulations in force or approved and pending publication at the reporting date.

Current or deferred income tax is recognised in profit or loss, unless it arises from a transaction or economic event that is recognised in the same or a different period, against equity or from a business combination.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

Income tax deductions and other tax benefits granted by public authorities as a reduction of income tax liability which in substance are treated as government grants are recognised in accordance with the criteria set out in section (j) Grants, donations and legacies.

Reventa Ingenieros, S.A. is taxed on a consolidated basis in accordance with the Special Tax Consolidation System, and is included in Tax Group 19/07, which, in addition to the Company, comprises the companies Grupo Reventa Ingenieros, S.L., Reventa Seguridad, S.A., Dunna Equilibra Investment Group, S.L., and Grassland Servicios Agropecuarios, S.L., with Grupo Reventa Ingenieros, S.L. as the parent company.

The accrued corporate income tax expense of companies filing consolidated tax returns is determined taking into account, in addition to the parameters to be considered in the case of individual taxation set out above, the following parameters:

- Temporary and permanent differences arising as a result of the elimination of results from intercompany transactions arising from the process of determining the consolidated tax base.
- The deductions and allowances corresponding to each company in the tax group under the consolidated tax return system; for these purposes, the deductions and allowances shall be allocated to the company that carried out the activity or obtained the income required to obtain the right to the tax deduction or allowance.

In respect of the part of the tax losses of certain Group companies which have been offset by the other companies of the consolidated Group, a reciprocal credit and debit arises between the companies to which they relate and the companies offsetting them. Should there be a negative tax loss that cannot be offset by the other companies of the consolidated Group, these tax credits for tax loss carry forwards are recognised as deferred tax assets following the criteria established for their recognition, considering the tax group as a taxpayer.

The Group's parent company records the total amount of consolidated income tax refundable with a credit to Payables to Group companies and associates.

The amount of the debt (receivable) from subsidiaries is credited (debited) to Payables/Receivables to Group and associated companies.

(i) Recognition of deferred tax liabilities

The Group recognises deferred tax liabilities in all cases except where:

- They arise from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable income;
- relate to taxable temporary differences related to investments in subsidiaries, associates and jointly controlled entities over which the Group has the ability to control the timing of their reversal and it is not probable that they will reverse in the foreseeable future.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

*(ii) Recognition of deferred tax assets*

The Group recognises deferred tax assets, provided that:

- whenever it is probable that sufficient future taxable profit will be available against which the deferred tax asset can be utilised or when tax legislation provides for the possibility of future conversion of deferred tax assets into a receivable from the tax authorities. However, assets arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and at the date of the transaction affects neither accounting profit nor taxable profit or tax loss are not recognised;
- relate to deductible temporary differences related to investments in subsidiaries, associates and jointly controlled entities, to the extent that the temporary differences will reverse in the foreseeable future and future taxable profits are expected to be generated to offset the differences.

The Group recognises the conversion of a deferred tax asset into a receivable from the tax authorities when it is receivable in accordance with current tax legislation. For this purpose, the deferred tax asset is derecognised with a charge to deferred income tax expense and the receivable is credited to current income tax. Similarly, the Group recognises the exchange of a deferred tax asset for government debt securities when ownership is acquired.

The Group recognises the payment obligation arising from the asset benefit as an operating expense with a credit to the receivable from public authorities when it is accrued in accordance with the Corporate Income Tax Law.

However, assets arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and at the date of the transaction affects neither accounting profit nor taxable profit or tax loss are not recognised.

Unless otherwise proven, it is not considered probable that future taxable profit will be available to the Group when it is expected to be recovered more than ten years from the end of the reporting period, regardless of the nature of the deferred tax asset, or in the case of tax credits and other tax benefits not yet available for tax purposes due to insufficient taxable profit, when the activity has been carried out or the income has been obtained that gives rise to the right to the tax credit or tax relief and there are reasonable doubts as to whether the requirements to claim the tax credit or tax relief have been met.

The Group only recognises deferred tax assets arising from tax loss carry forwards to the extent that it is probable that future taxable profits will be available against which they can be utilised within a period not exceeding that established by the applicable tax legislation, subject to a maximum limit of ten years, unless there is evidence that their recovery is probable within a longer period, when the tax legislation allows them to be utilised within a longer period or does not establish time limits on their offset.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

However, it is considered probable that the Group has sufficient taxable profits to recover the deferred tax assets, provided that there are sufficient taxable temporary differences relating to the same tax authority and the same taxable entity that are expected to reverse in the same tax year in which the deductible temporary differences are expected to reverse or in years in which a tax loss arising from a deductible temporary difference can be offset against earlier or later taxable profits.

The Group recognises deferred tax assets that have not been recognised because they exceed the ten-year recovery period, to the extent that the future reversal period does not exceed ten years from the end of the reporting period or when there are sufficient taxable temporary differences.

For the purpose of determining future taxable profits, the Group takes into account tax planning opportunities whenever it intends to adopt or is likely to adopt them.

*(iii) Measurement*

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the years in which the assets are expected to be realised or the liabilities are expected to be settled, based on tax rates and tax laws in force or enacted and pending publication, taking into account the tax consequences that will result from the manner in which the Group expects to recover the assets or settle the liabilities. For these purposes, the Group has considered the deduction for reversal of temporary measures developed in the thirty-seventh transitory provision of Law 27/2014, of 27 November, on Corporate Income Tax, as an adjustment to the tax rate applicable to the deductible temporary difference associated with the non-deductibility of the amortisations made in 2013 and 2014.

*(iv) Offset and classification*

The Group only offsets income tax assets and liabilities if there is a legal right to set them off against the tax authorities and it intends either to settle the resulting amounts on a net basis or to realise the assets and settle the liabilities simultaneously.

Deferred tax assets and liabilities are recognised in the balance sheet as non-current assets or liabilities, regardless of the expected date of realisation or settlement.

*(r) Classification of assets and liabilities into current and non-current*

The Group presents the balance sheet classifying assets and liabilities as current and non-current. For these purposes, current assets or liabilities are those that meet the following criteria:

- Assets are classified as current if they are expected to be realised or intended for sale or consumption in the course of the Group's normal operating cycle, are held primarily for the purpose of trading, are expected to be realised within twelve months after the reporting date or are cash or cash equivalents, except where they cannot be exchanged or used to settle a liability for at least twelve months after the reporting date.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

- Liabilities are classified as current liabilities when they are expected to be settled in the normal operating cycle, they are held primarily for the purpose of trading, they are due to be settled within twelve months after the reporting date or the Group does not have an unconditional right to defer settlement of the liabilities for twelve months after the reporting date.
- Financial liabilities are classified as current when they are due to be settled within twelve months after the reporting date, even if the original term is for a period longer than twelve months and there is an agreement to refinance or restructure long-term payments that was concluded after the reporting date and before the annual accounts are authorised for issue.

(s) Transactions among group companies excluded from the consolidated group

Transactions among group companies in the consolidated group, except those related to business combinations, mergers, spin-offs and non-monetary contributions of businesses mentioned in the preceding sections, are recognised at the fair value of the consideration given or received. The difference between this value and the agreed amount is recorded in accordance with the underlying economic substance.

(t) Business combination

At the acquisition date of a business combination resulting from a merger or spin-off or from the acquisition of all or part of the assets and liabilities of a company, the Group recognises all the assets acquired and liabilities assumed and, where appropriate, the difference between the value of those assets and liabilities and the cost of the business combination.

The excess, at the acquisition date, of the cost of the business combination over the corresponding value of the identifiable assets acquired less the liabilities assumed is recognised as goodwill.

Whenever the value of the identifiable assets acquired less the liabilities assumed exceeds the cost of the business combination, the excess is recognised in the income statement as income.

However, before recognising the revenue, the company reassesses whether it has correctly identified and measured both the identifiable assets acquired and liabilities assumed and the cost of the combination. Should contingent assets or intangible assets for which there is no active market emerge in the verification and evaluation process, they are not recognised up to the limit of the negative difference above.

(u) Environmental issues

The Group takes measures to prevent, reduce or repair the damage caused to the environment by its activities.



## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

In recent years, the Group has been developing several R&D&I projects, in some cases applying for government funding (see notes 16 and 17 (c)). As of 31 December 2022, the main project families are:

□ Rail Safety – PPNN RailRox and associates

The RailRox is a modular development, consisting of a state-of-the-art system for intelligent and energy-efficient level crossing protection, designed to be powered using solar panels and whose communications can be wired or wireless. The PPNN must comply with the highest railway safety standard (SIL 4) and the design of the barrier and the obstacle detector complement its development. At the same time, and in order to adapt to the technical and technological requirements of other markets, modifications and modules are being developed for adaptation to other countries where there is a large market potential, such as Turkey, Egypt, Algeria and Sweden, among others. By 31 December 2022 almost all RailRox modules will be completed. Given the characteristics and specificities of the development (compliance with safety level SIL 4) and the markets in which it is marketed (domestic and international rail market), the Group's directors have estimated a useful life of 12 years, with the estimated useful life being amortised prospectively from May 2017. The final product and the different adaptations have required development work for about 7 years.

□ Rail Safety - Heaters

Heaters are intelligent heating and energy consumption optimisation systems for railway infrastructures, which are developed to prevent freezing between rails at track changes, which could cause accidents when trains pass and prevent traffic on all tracks of the network. They incorporate energy optimisation algorithms and specific operating interfaces required by railway safety requirements, allowing us to deploy offerings in countries such as Greece, Macedonia or Eastern Europe. As of 31 December 2022 all heater developments are completed. The Group's directors, depending on the technical characteristics of the development, the procedures for its approval and in line with market useful life standards, have estimated a useful life of 10 years for this type of development, with the estimated useful life being depreciated prospectively from April 2017. The final product and the different adaptations have required development work for about 6 years.

Within this group we also include the development called FUES III, which is included in the RailXcan solutions and consists of a state-of-the-art hot box detection system for train axles and brakes, the completion of which has been delayed until 2024.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

 Voice and Data

This family includes all developments involving voice and data communications, applied to different technological environments, such as public transport (train, metro, road) and penitentiary centres. The projects include SCADA, which is a platform for monitoring and controlling electromechanical and security installations that aims to facilitate their operation and maintenance; passenger information systems; T2SIP, which consists of the development of security railway operation telephony implemented natively over IP protocol, enabling remote management and centralisation of recordings in command posts, the project for which was completed in 2022; and intercoms adapted for infrastructure environments and also for penitentiary centres. Completed projects in this family are being amortised over 5 years.

 IR Vision and Associates

These projects, which were created as comprehensive developments through IR vision, have been consolidated as platforms for the management and control of all the systems that comprise an infrastructure (highway, including tunnel management) or a security centre. They are used to improve visibility in difficult access and visibility environments (smoke in a tunnel due to fire, an accident in fog) and integrate them with the rest of the emergency systems (public address, intercom), adding IAD (automatic incident detection) systems, both in visible and IR range and variable signalling systems. In case of emergency, these platforms allow for quick and efficient action, guiding rescue teams in the event of serious incidents. As of 31 December 2022 all projects are being amortised over 5 years.

 Safety

There are two solutions in the safety sector, the ENCRIA and the UAV. The first is a highly secure encrypted messaging system for critical infrastructures. And the second is the design and development of a diverse range of multicopters with different numbers of rotors for surveillance and aerial reconnaissance missions, including their integration into the Triebro family of RPAS. As of 31 December 2022, both projects are being amortised.

 Smart Mobility

In 2022 we continue to invest in the group of projects that started in 2020 under the name Smart Mobility, which is key to the company's development plan. This group includes ticketing, tunnel management and road signalling solutions, as well as tolling. RT2P is a payment platform that communicates with real-time management systems (RTA), and is the cornerstone, as it includes the capacity to integrate on the same platform the toll, ticketing, validation and access control systems of motorways, metros, buses and commuter trains. As of 31 December 2022, one of the projects in this family has been completed, with amortisation starting in 2022.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

## □ Passive Elements

For the manufacture and sale of passive network elements (OCOs, cabinets, etc.) it is necessary to develop moulds adapted to the demands and requirements of our customers, so it is necessary to include improvements in the existing ones or to constantly design new moulds that allow their production in line. Among these moulds, the most noteworthy are the MINICAU and MINICMI products, elements that will be deployed in all fibre optic networks, along with the deployment of 5G technology. As of 31 December 2022, all existing moulds are being amortised.

The development of this type of project is considered fundamental to innovation in business strategy. In order to simplify and improve the presentation, the developments have been regrouped into the following segments:

	Euros					TOTAL
	01.01.2022	Registrations	31.12.22	Depreciation	Depreciation Acc.	
Cost						
Rail Safety - PPNN	6,405,910.64	728,108.92	7,134,019.56	(379,629.00)	(1,812,719.12)	5,321,300.44
Rail Safety - Heaters	1,292,988.80	172,980.85	1,465,969.65	(69,507.91)	(364,595.91)	1,101,373.74
Voice and Data	4,481,013.12	222,417.77	4,703,430.89	(314,795.04)	(1,628,284.94)	3,075,145.95
IR Vision and Assoc.	2,052,029.96	0.00	2,052,029.96	(221,376.00)	(1,648,762.04)	403,267.92
Safety	391,013.61	0.00	391,013.61	(78,234.00)	(181,644.00)	209,369.61
Smart Mobility	3,222,505.06	801,965.38	4,024,470.44	(286.00)	(286.00)	4,024,184.44
Liabilities	449,164.38	3,825.73	452,990.11	(89,862.00)	(139,333.60)	313,656.51
Other	47,024.20	0.00	47,024.20	0.00	(47,024.17)	0.03
	<b>18,341,649.77</b>	<b>1,929,298.65</b>	<b>20,270,948.42</b>	<b>(1,153,689.95)</b>	<b>(5,822,649.78)</b>	<b>14,448,298.64</b>

	Euros					Total
	01.01.2021	Registrations	31.12.2021	Depreciation	Depreciation Acc.	
Cost						
Rail Safety - PPNN	5,900,046	505,864.73	6,405,910.64	(314,006.00)	(1,433,090.12)	4,972,820.52
Rail Safety - Heaters	1,118,646	174,342.89	1,292,988.80	(69,678.00)	(295,088.00)	997,900.80
Voice and Data	4,000,864	480,148.64	4,481,013.12	(316,766.00)	(1,313,489.90)	3,167,523.22
IR Vision and Assoc.	2,052,030	0.00	2,052,029.96	(273,152.03)	(1,427,386.04)	624,643.92
Safety	391,014	0.00	391,013.61	(52,239.00)	(103,410.00)	287,603.61
Smart Mobility	2,428,458	794,046.96	3,222,505.06	0.00	0.00	3,222,505.06
Liabilities	430,323	18,841.74	449,164.38	(20,547.00)	(49,471.60)	399,692.78
Other	47,024	0.00	47,024.20	-	(47,024.17)	0.03
	<b>16,368,405</b>	<b>1,973,245</b>	<b>18,341,650</b>	<b>(1,046,388.03)</b>	<b>(4,668,959.83)</b>	<b>13,672,689.94</b>

The accompanying notes form an integral part of the annual accounts for the financial year 2022 and 2021.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

(a) Fully depreciated assets

As at 31 December 2022, the amount of fully amortised software is 433,400.34 euros (423,612.14 euros as at 31 December 2021). At 31 December 2022, the amount of fully amortised R&D projects amounts to 1,475,042.63 euros (1,445,661.68 euros at 31 December 2021).

	Euros	
	<b>2022</b>	<b>2021</b>
Developments	1,475,042.63	1,445,661.68
Approved Products	5,219.00	5,219.00
Computer applications	433,400.34	423,612.14
	<b>1,913,661.97</b>	<b>1,874,492.82</b>

**(6) Property, plant and equipment**

The breakdown and movement in the accounts included in property, plant and equipment are as follows:

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

Notes to the Consolidated Annual Accounts

Breakdown of property, plant and equipment.  
for the financial year ended on 31 December 2022  
(Expressed in euros)

	Lands	Constructions	Technical installations and machinery	Other installations, tools and furniture	Fixed assets under construction and advances	Other fixed assets	Total
<b>Cost at 1 January 2022</b>	859,026.36	1,738,763.29	485,960.40	4,244,372.15	3,475,522.09	179,587.40	10,983,231.69
Registrations	-	-	410.00	53,282.57	169,403.22	555,456.40	778,552.19
Withdrawals	-	-	-	(12,064.89)	(101,191.69)	-	(113,256.58)
Split	(737,901.16)	(1,324,888.49)	-	-	-	-	(2,062,789.65)
Transfers	-	-	-	-	-	(56,309.02)	(56,309.02)
Change in consolidation scope	-	-	-	-	-	-	-
<b>Cost at 31 December 2022</b>	<b>121,125.20</b>	<b>413,874.80</b>	<b>486,370.40</b>	<b>4,285,589.83</b>	<b>3,543,733.62</b>	<b>678,734.78</b>	<b>9,529,428.63</b>
<b>Accumulated depreciation as of 1 January 2022</b>	-	(376,713.25)	(465,828.80)	(3,253,310.43)	(2,482,294.94)	-	(6,578,147.42)
Registrations	-	(12,420.00)	(5,755.00)	(148,915.63)	(180,616.90)	-	(347,707.53)
Withdrawals	-	-	-	3,912.95	78,857.79	-	82,770.74
Split	-	159,565.00	-	-	-	-	159,565.00
Transfers	-	-	8,408.00	303.89	(8,711.89)	-	-
Change in consolidation scope	-	-	-	-	-	-	-
<b>Accumulated depreciation as of 31 December 2022</b>	-	<b>(229,568.25)</b>	<b>(463,175.80)</b>	<b>(3,398,009.22)</b>	<b>(2,592,765.94)</b>	-	<b>(6,683,519.21)</b>
<b>Net book value as at 31 December 2022</b>	<b>121,125.20</b>	<b>184,306.55</b>	<b>23,194.60</b>	<b>887,580.61</b>	<b>950,967.68</b>	<b>678,734.78</b>	<b>2,845,909.42</b>

The accompanying notes form an integral part of the annual accounts for the financial year 2022 and 2021.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

Breakdown of property, plant and equipment.  
for the financial year ended on 31 December 2021  
(Expressed in euros)

	Lands	Constructions	Technical installations and machinery	Other installations, tools and furniture	Fixed assets under construction and advances	Other fixed assets	Total
<b>Cost at 1 January 2021</b>	965,143.46	2,642,052.33	490,044.57	4,097,479.46	3,290,205.04	228,937.90	11,713,862.76
Registrations	-	-	4,450.00	161,653.93	222,688.20	117,412.84	506,204.97
Withdrawals	(106,117.10)	(903,289.04)	(8,534.17)	(163,965.49)	(37,371.15)	-	(1,219,276.95)
Split	-	-	-	-	-	-	-
Transfers	-	-	-	149,204.25	-	(166,763.34)	(17,559.09)
Change in consolidation scope	-	-	-	-	-	-	-
<b>Cost at 31 December 2021</b>	<b>859,026.36</b>	<b>1,738,763.29</b>	<b>485,960.40</b>	<b>4,244,372.15</b>	<b>3,475,522.09</b>	<b>179,587.40</b>	<b>10,983,231.69</b>
<b>Accumulated depreciation as of 1 January 2021</b>	-	(1,241,086.29)	(465,132.80)	(3,181,661.67)	(2,311,408.79)	-	(7,199,289.55)
Registrations	-	(38,916.00)	(5,643.00)	(131,955.76)	(206,400.14)	-	(382,914.90)
Withdrawals	-	903,289.04	4,947.00	60,307.00	35,513.99	-	1,004,057.03
Split	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Change in consolidation scope	-	-	-	-	-	-	-
<b>Accumulated depreciation as of 31 December 2021</b>	-	<b>(376,713.25)</b>	<b>(465,828.80)</b>	<b>(3,253,310.43)</b>	<b>(2,482,294.94)</b>	-	<b>(6,578,147.42)</b>
<b>Net book value as at 31 December 2021</b>	<b>859,026.36</b>	<b>1,362,050.04</b>	<b>20,131.60</b>	<b>991,061.72</b>	<b>993,227.15</b>	<b>179,587.40</b>	<b>4,405,084.27</b>

The accompanying notes form an integral part of the annual accounts for the financial year 2022 and 2021.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

The additions in 2022 and 2021 mainly relate to the adaptation of moulds, buildings and the renewal of the company's vehicle fleet.

On 14 December 2022, with accounting effects on 1 January 2022 and as mentioned in note 25, the Company, by means of a partial spin-off, transferred part of its assets forming an economic unit, consisting of its real estate activity, to Grassland Servicios Agropecuarios, S.L. As a result of this spin-off, the value of its assets has been reduced by 1,903,224.56 euros, comprising the following items:

- Land corresponding to the Salcedo Building in Madrid, Marchamalo and Benavente for 737,901.16 euros.
- Net constructions corresponding to the Salcedo Building in Madrid amounting to 1,165,323.49 euros.

In 2021, the land and buildings owned by the Company, corresponding to the Salcedo Building, located in Madrid, were used for leasing.

In 2021, the Santa María Rivaredonda warehouse (Burgos) was sold to centralise all the warehouses in the province of Madrid, in order to streamline their transfer and management. This operation generated a positive result of 211,634.11 euros.

(a) Fully depreciated assets

The cost of property, plant and equipment that are fully depreciated and still in use at 31 December 2022 and 2021 is as follows:

	Euros	
	2022	2021
Constructions		
Technical installations and machinery	429,399.76	429,399.76
Other installations, tools and furniture	3,072,804.05	2,923,835.92
Other fixed assets	2,051,605.47	2,041,070.19
	<b>5,553,809.28</b>	<b>5,394,305.87</b>

(b) Insurance

The Group has taken out various insurance policies to cover the risks to which its property, plant and equipment are subject. The coverage of these policies is considered sufficient.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

**(7) Operating Leases - Leases**

The most relevant leases are described below:

- Contract signed with the group company Grassland Servicios Agropecuarios, S.L. for the lease of offices located at Calle Fragua 6, in Tres Cantos (Madrid), for which a monthly rent of 20,500 euros is paid. The contract was signed on 1 August 2019 for a five-year term.
- The Group has other contracts for the rental of office space and vehicle leasing which individually amount to an insignificant amount.

The amount of operating lease payments recognised as an expense is as follows:

	Euros	
	2022	2021
Minimum lease payments	785,682.14	710,089.63

Future minimum payments for non-cancellable operating leases are as follows:

	Euros	
	2022	2021
Up to one year	424,839.29	314,962.92

**(8) Investments in equity instruments of group companies and associates**

The breakdown of investments in equity instruments of group and associated companies is as follows:

	Euros	
	Non-current	
	2022	2021
Group companies	508.28	2,327.54
Shares		
	<b>508.28</b>	<b>2,327.54</b>

**(a) Holdings in group companies**

The heading "Equity instruments" includes the investments in subsidiaries excluded from the scope of consolidation, as detailed in note 4 (a). Companies are included in the scope of consolidation as operations commence.

In 2022, the company Revenga Egypt was created (28 September 2022), which was not active during the year.

In 2021, the company Movilidad y Futuro SA was dissolved (November 2021) and Revenga Polonia was finally wound up (September 2021).

The information relating to holdings in group companies obtained from their financial statements as at 31 December 2022 and 2021 is presented in the following tables:

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

Notes to the Consolidated Annual Accounts

Information relating to Group companies  
for the financial year ended on 31 December 2022

2022

Name	Registered office	Activity	Dir	% shareholding Total	Capital	Reserves	Exploitation	Result Ongoing	Interrupted	Total	Total fund Own	Cost Investment	Provision
Revenge Ingenieros, S.A. (Egypt)	5D/5 El Laselky St., New Maadi, Maadi, El Cairo	Consultancy, advice, commercialisation and installations of software equipment and telecommunications equipment	100.00	100.00	508.28	-	-	-	-	-	508.28	508.25	-
												508.25	(0,00)

The accompanying notes form an integral part of the annual accounts for the financial year 2022 and 2021.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

Notes to the Consolidated Annual Accounts

Information relating to Group companies  
for the financial year ended on 31 December 2021

2021

Name	Registered office	Activity	Dir	% shareholding Total	Capital	Reserves	Exploitation	Result Ongoing	Interrupted	Total	Total fund Own	Cost Investment	Provision
GR Technologies Ecuador (*)	Catalina Aldaz 245	Repair and maintenance of all types of telecommunications telecommunications	100.00	100.00	2,328.00	-	-	-	-	-	2,328.00	2.327,54	-
												2.327,54	(0,00)

The accompanying notes form an integral part of the annual accounts for the financial year 2022 and 2021.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

**(9) Financial Assets by Category****(a) Classification of financial assets at amortised cost by category**

The classification of financial assets by category and class, as well as the comparison of fair value and carrying amount, is as follows:

	Euros			Total
	2022			
	Non-current	Current	At reasonable value	
	At amortised cost Accounting value	At amortised cost Accounting value	At reasonable value	
<i>Non-related</i>				
<i>Equity instruments</i>	508.28			508.28
Tax effect credits				0.00
Current accounts	1,544,914.46	4,205,583.26		5,750,497.72
Customer receivables for sales and services provided	0.00	267,598.84		267,598.84
Other financial assets				0.00
<b>Total</b>	<b>1,545,422.74</b>	<b>4,473,182.10</b>	<b>0.00</b>	<b>6,018,604.84</b>
<i>Non-related</i>				
<i>Equity instruments</i>	162,375.00	163,390.48		325,765.48
<i>Loans and receivables</i>				
Deposits and Bonds	80,883.73			80,883.73
Customer receivables for sales and services provided		18,915,831.01		18,915,831.01
Accounts receivable		273,366.05		273,366.05
Other financial assets		147,681.39		147,681.39
<b>Total</b>	<b>243,258.73</b>	<b>19,500,268.93</b>	<b>0.00</b>	<b>19,743,527.66</b>
<b>Total financial assets</b>	<b>1,788,681.47</b>	<b>23,973,451.03</b>	<b>0.00</b>	<b>25,762,132.50</b>
Euros				
2021				
	Non-current	Current	At reasonable value	Total
	At amortised cost Accounting value	At amortised cost Accounting value	At reasonable value	
<i>Non-related</i>				
Tax effect credits				0.00
Current accounts	1,544,914.46	4,788,433.13		6,333,347.59
Customer receivables for sales and services provided	0.00	1,612,309.58		1,612,309.58
Other financial assets				0.00
<b>Total</b>	<b>1,544,914.46</b>	<b>6,400,742.71</b>	<b>0.00</b>	<b>7,945,657.17</b>
<i>Non-related</i>				
<i>Equity instruments</i>	162,375.00	140,072.32		302,447.32
<i>Loans and receivables</i>				
Deposits and Bonds	78,888.85			78,888.85
Customer receivables for sales and services provided		18,383,736.22		18,383,736.22
Accounts receivable		186,175.06		186,175.06
Other financial assets		338,991.73		338,991.73
<b>Total</b>	<b>241,263.85</b>	<b>19,048,975.33</b>	<b>0.00</b>	<b>19,290,239.18</b>
<b>Total financial assets</b>	<b>1,786,178.31</b>	<b>25,334,324.47</b>	<b>0.00</b>	<b>27,235,896.35</b>

The accompanying notes form an integral part of the annual accounts for the financial year 2022 and 2021.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

The fair value of financial income at 31 December 2022 and 2021 does not differ significantly from their carrying amount at those dates. The net result from financial income as at 31 December 2022 was positive by 149,755.79 euros (positive by 163,128.51 euros as at 31 December 2021), corresponding to interest income.

**(10) Financial Investments and Trade Receivables****(a) Financial investments in Group and associated companies**

The breakdown of financial investments in group and associated companies is as follows:

	Euros			
	2022		2021	
	Non-current	Current	Non-current	Current
Assets				
T				
Group company current accounts (note 19)		1,544,914.46	4,205,583.26	1,544,914.46 4,788,433.13
	<b>1,544,914.46</b>	<b>4,205,583.26</b>	<b>1,544,914.46</b>	<b>4,788,433.13</b>

**(b) Financial investments**

The breakdown of financial investments is as follows:

	Euros			
	Non-current	Current	Non-current	Current
	2022		2021	
Equity instruments	508.28		2,327.54	
Non-related				
Equity instruments	162,375.00	163,390.48	162,375.00	140,072.32
Deposits and Bonds	80,883.73	147,681.39	78,888.85	338,991.73
Other				
	<b>243,767.01</b>	<b>311,071.87</b>	<b>243,591.39</b>	<b>479,064.05</b>

The heading "Equity instruments" in related parties amounting to 508.28 euros (2,327.54 euros as at 31 December 2021) relates to investments made by the Group in the non-consolidated subsidiaries Egypt in 2022 and Ecuador in 2021.

The item "Equity instruments" under non-current assets in non-related parties for 162,375 euros in 2022 and 2021 corresponds to the financial investment in New Infrared Technologies S.L.

The heading "equity instruments", within current assets, with non-related parties for 163,390.48 euros (140,072.32 euros at 31 December 2021) corresponds to different investments in equity instruments (shares) held by the Group in different financial institutions.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

(c) Trade and other receivables

The breakdown of trade and other receivables is as follows:

	Euros			
	2022		2021	
	Non-current	Current	Non-current	Current
Group (note 19)				
Clients	0.00	267,598.84	0.00	1,612,309.58
Related (note 19)				
Other accounts receivable		160,825.53		70,781.49
Non-related				
Clients through sales and services provided.				
Work completed and not yet invoiced (note 4 (k))		7,988,778.86		11,290,304.45
Clients		11,614,986.82		7,809,671.65
Staff		112,540.52		115,393.57
Other credits to public authorities (note 10 (c))		665,136.00		689,010.26
Valuation corrections through impairment		-687,934.67		-716,239.88
	<b>0.00</b>	<b>20,121,931.90</b>	<b>0.00</b>	<b>20,871,231.12</b>

(d) Impairment

The analysis of the movement in the allowance accounts representing impairment losses arising from customer and debtor credit risk at 31 December is as follows:

	Euros	
	Clients	
	2022	2021
<i>Current</i>		
Balance at 1 January	716,239.88	716,239.88
Provisions	-	0.00
Applications	-28,305.21	
<b>Balance at 31 December</b>	<b>687,934.67</b>	<b>716,239.88</b>

(e) Classification by maturity

The classification of financial liabilities by maturity is shown in the following tables:

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

Notes to the Consolidated Annual Accounts

Classification by Maturity Financial Investments and Trade Receivables for the  
year ended 31 December 2022

(Expressed in Euros)

	Euros						Less part current	Total non- current
	2023	2024	2025	2026	2027	Subsequent years		
Trade and other receivables								
Clients through sales and services provided	18,915,831.01						(18,915,831.01)	0.00
Customers, group and associated companies	267,598.84						(267,598.84)	0.00
Sundry accounts receivable	160,825.53						(160,825.53)	0.00
Staff	112,540.52						(112,540.52)	0.00
Investments in group companies						508.28		508.28
Other financial assets	4,205,583.26					1,544,914.46	(4,205,583.26)	1,544,914.46
Financial investments								
Equity instruments	163,390.48					162,375.00	(163,390.48)	162,375.00
Other financial assets	147,681.39					80,883.73	(147,681.39)	80,883.73
<b>Total financial assets</b>	<b>23,973,451.03</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,788,681.47</b>	<b>(23,973,451.03)</b>	<b>1,788,681.47</b>

The accompanying notes form an integral part of the annual accounts for the financial year 2022 and 2021.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

Notes to the Consolidated Annual Accounts

Classification by Maturity Financial Investments and Trade Receivables for the  
year ended 31 December 2021

(Expressed in Euros)

	Euros						Less part current	Total non- current
	2022	2023	2024	2025	2026	Subsequent years		
Trade and other receivables								
Clients through sales and services provided	18,383,736.22						(18,383,736.22)	0.00
Customers, group and associated companies	1,612,309.58						(1,612,309.58)	0.00
Sundry accounts receivable	70,781.49						(70,781.49)	0.00
Staff	115,393.57						(115,393.57)	0.00
Investments in group companies								
Other financial assets	4,788,433.13					1,544,914.46	(4,788,433.13)	1,544,914.46
Financial investments								
Equity instruments	140,072.32					162,375.00	(140,072.32)	162,375.00
Other financial assets	338,991.73					78,888.85	(338,991.73)	78,888.85
<b>Total financial assets</b>	<b>25,449,718.04</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,786,178.31</b>	<b>(25,449,718.04)</b>	<b>1,786,178.31</b>

The accompanying notes form an integral part of the annual accounts for the financial year 2022 and 2021.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

**(11) Inventory stock**

The breakdown of stocks is as follows:

	Euros	
	2022	2021
Production and distribution business		
Advances	596,287.26	427,860.55
Trade	6,685,350.79	3,399,548.85
Valuation corrections through impairment	(245,621.16)	(249,626.16)
	<b>7,036,016.89</b>	<b>3,577,783.24</b>

Commercial inventories correspond to materials acquired by the Group which at year-end have not been incorporated into the corresponding projects.

The breakdown of impairment losses recognised in the profit and loss account under the heading Impairment of goods, raw materials and other is as follows:

	Euros	
	2022	2021
Production and distribution business Goods (Provisions) / Goods	4,005.00	(32,202.72)
<b>Total write-downs</b>	<b>4,005.00</b>	<b>(32,202.72)</b>

**(12) Accruals**

The breakdown of accruals is as follows:

	Euros	
	Current	
	2022	2021
Other anticipated expenses	268,599.07	188,167.50
<b>Total</b>	<b>268,599.07</b>	<b>188,167.50</b>

Other anticipated expenses include the accrual of insurance and other expenses.

**(13) Cash and other equivalent liquid assets**

Details of cash and other equivalent liquid assets equivalents are as follows:

	Euros	
	2022	2021
Cash	9,174.88	5,231.08
Banks	690,339.82	1,645,511.40
Banks and banks	<b>699,514.70</b>	<b>1,650,742.48</b>

The accompanying notes form an integral part of the annual accounts for the financial year 2022 and 2021.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

**(14) Shareholders' Equity**

The breakdown and movement in equity are presented in the statement of changes in equity.

**(a) Capital**

At 31 December 2022 the share capital of Revenga Ingenieros, S.A. is represented by 230,000 shares, with a par value of 5.98 euros each (5.99 euros in 2021), numbered from 1 to 230,000, both inclusive, cumulative and indivisible, fully subscribed and paid up, with equal voting and economic rights.

The Sole Shareholder of the Company is the company incorporated in Spain and called Grupo Revenga Ingenieros, S.L.

In 2022, the decrease in the nominal value of the share of 0.01 euro occurs as a result of the spin-off of its real estate activity, as mentioned in note 1, 6 and 25, with its capital going from a value of 1,377,700 euro to 1,375,400 euro.

**(b) Reserves**

The breakdown of the reserves account is shown in the table below:

**(i) Legal reserve**

In accordance with article 274 of the Revised Spanish Companies Act, companies are obliged to transfer 10% of the profits for the year to a legal reserve until such reserve reaches an amount equal to 20% of the share capital.

It cannot be distributed and if it is used to offset losses, in the event that there are insufficient other reserves available for that purpose, it must be replenished from future profits.

As at 31 December 2022 and 2021, the Group has set this reserve at the minimum amount stipulated by law, i.e. 276,000.00 euros.

**(c) Shareholder contributions**

At 31 December 2022 and 2021 the capital contributions arise as a result of the contribution made by Grupo Revenga Ingenieros, S.L. in the absorbed company Gestión Eficiente de la Energía Equilibrada, S.A. prior to the final approval of the merger by absorption project, in the amount of 83,483 euros.

**(d) Profit for the year attributable to the parent company**

The contribution of each company included in the scope of consolidation to the consolidated results is as follows:

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

	2022		2021	
	Result	Adjustments Result adjusted	Result	Adjustments Result adjusted
Parent Company				
Revenga Ingenieros, S.A.	629,709.52	629,709.52	641,240.53	641,240.53
Fully consolidated companies:				
Revenga Seguridad, S.A.	30,737.51	30,737.51	22,846.84	22,846.84
Revenga Smart Mobility, S.A. - Uruguay	(47,465.49)	(47,465.49)	(1,171.68)	(1,171.68)
RSS Colombia	(131,659.80)	(131,659.80)	(131,961.52)	(131,961.52)
Consortium Globe Revenga - Chile 50%	19,856.89	19,856.89	17,665.81	17,665.81
	<b>501,178.63</b>	<b>- 501,178.63</b>	<b>548,619.97</b>	<b>- 548,619.97</b>

**(15) Grants, Donations and Legacies Received**Interest rate subsidy

There is no movement for interest rate capital grants in 2022, nor was there in 2021. The subsidy income received in 2022 of 20,039.79 euros corresponds for the most part (0.00 euros in 2021) to the subsidy received by the government to compensate for fuel price increases.

**(16) Financial Liabilities by Category****(a) Classification of financial assets at amortised cost by category**

The classification of financial liabilities by category and class, as well as the comparison of fair value and carrying amount, is as follows:

	2022		Total
	Non-current	Current	
	At amortised cost or cost	At amortised cost or cost	
	Accounting value	Accounting value	
<i>Debts and payables</i>			
<u>Non-related</u>			
Debts with group companies			
Other financial liabilities		288,449.00	288,449.00
Trade and other accounts payable with Group companies			
Suppliers		617,675.40	617,675.40
<u>Non-related</u>			
Debts with special characteristics			
Fixed rate	950,657.58	183,389.40	1,134,046.98
Debts with credit entities			
Variable type	8,165,441.28	14,389,601.59	22,555,042.87
Finance lease payables	53,712.49	40,136.55	93,849.04
Trade and other accounts payable			
Suppliers		14,160,151.93	14,160,151.93
Client advances		1,616,717.42	1,616,717.42
<b>Total financial liabilities</b>	<b>9,169,811.35</b>	<b>31,296,121.36</b>	<b>40,465,932.71</b>

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

	<b>2021</b>		
	<b>Non-current</b>	<b>Current</b>	
	<b>At amortised cost or cost</b>	<b>At amortised cost or cost</b>	
	<b>Accounting value</b>	<b>Accounting value</b>	<b>Total</b>
<i>Debts and payables</i>			
<u>Non-related</u>			
Debts with group companies			
Other financial liabilities		144,146.57	144,146.57
Trade and other accounts payable with Group companies			
Suppliers		55,530.64	55,530.64
<u>Non-related</u>			
Debts with special characteristics			
Fixed rate	1,124,524.51	183,337.07	1,307,861.58
Debts with credit entities			
Variable type	9,061,238.16	13,534,970.64	22,596,208.80
Finance lease payables	46,111.13	66,503.57	112,614.70
Trade and other accounts payable			
Suppliers		11,803,496.65	11,803,496.65
Client advances		1,700,520.78	1,700,520.78
<b>Total financial liabilities</b>	<b>10,231,873.80</b>	<b>27,488,505.92</b>	<b>37,720,379.72</b>

The fair value of financial liabilities at 31 December 2022 and 2021 does not differ significantly from their carrying amount at those dates. Expenses from financial liabilities in 2022 amounted to 874,261.25 euros (672,904.87 euros in 2021), corresponding mainly to interest on debt with financial institutions and group companies.

**(17) Financial Debts and Trade Payables**(a) Debts

The breakdown of debts at 31 December is as follows:

	<b>2022</b>		<b>2021</b>	
	<b>Euros Non-current</b>	<b>Current</b>	<b>Euros Non-current</b>	<b>Current</b>
<i>Group</i>				
Loans	-	-	-	-
Current account Group companies	-	288,449.00	-	144,146.57
<i>Non-related</i>				
Debts with credit entities	8,165,441.28	14,389,601.59	9,061,238.16	13,534,970.64
Finance lease creditors	53,712.49	40,136.55	46,111.13	66,503.57
Loans received	950,657.58	183,389.40	1,124,524.51	183,337.07
	<b>9,169,811.35</b>	<b>14,901,576.54</b>	<b>10,231,873.80</b>	<b>13,928,957.85</b>

The accompanying notes form an integral part of the annual accounts for the financial year 2022 and 2021

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

(b) Other information on debts*(i) Main characteristics of the debts*Debts with credit entities

The breakdown of bank borrowings is as follows:

	<b>2022</b>		
	<b>Euros</b>		
	<b>Non-current</b>	<b>Current</b>	<b>Total</b>
Loans	3,822,462.64	2,558,968.45	6,381,431.09
Finance lease payables	53,712.49	40,136.55	93,849.04
Short-term financing and credit lines	4,342,978.64	11,830,633.14	16,173,611.78
	<b>8,219,153.77</b>	<b>14,429,738.14</b>	<b>22,648,891.91</b>

	<b>2021</b>		
	<b>Euros</b>		
	<b>Non-current</b>	<b>Current</b>	<b>Total</b>
Loans	4,424,513.08	1,570,796.63	5,995,309.71
Finance lease payables	46,111.13	66,503.57	112,614.70
Short-term financing and credit lines	4,636,725.08	11,964,174.01	16,600,899.09
	<b>9,107,349.29</b>	<b>13,601,474.21</b>	<b>22,708,823.50</b>

The breakdown of the loans as at 31 December 2022 and 2021 is as follows:

Entity	Maturity	Amount granted	<b>Euros 2022</b>	
			<b>Non-current</b>	<b>Current</b>
Banco Sabadell	30 June 2025	100,000	34,968.28	22,326.43
Bankinter	24 April 2026	1,000,000	595,956.72	244,496.46
Banco BBVA	31 March 2026	150,000	87,114.64	39,411.01
Cajamar	29 April 2025	500,000	225,834.04	165,566.77
Abanca	20 April 2026	150,000	89,496.35	36,634.05
Ibercaja	24 April 2026	700,000	416,806.01	171,328.89
Bankia	29 April 2026	800,000	474,419.69	196,647.95
Caja Rural de Jaén	29 April 2025	400,000	180,985.82	132,354.82
Unicaja	24 April 2025	50,000	17,101.44	12,538.37
La Caixa	23 April 2026	350,000	207,558.67	86,033.45
Banco Santander	03 April 2026	450,000	266,535.12	110,756.51
Deutsche Bank	17 June 2026	325,000	206,596.00	79,785.49
La Caixa	01 November 2023	400,000	0.00	77,504.62
Toro Finance	16 December 2024	1,829,500	124,833.28	467,849.05
Quantum	02 August 2023	300,000	0.00	200,000.00
Hew. Packard	29 December 2025	1,570,748	885,967.49	513,697.60
Toyota Credit	16 March 2026	11,919	8,289.09	2,036.98
		<b>9,087,167.00</b>	<b>3,822,462.64</b>	<b>2,558,968.45</b>

The accompanying notes form an integral part of the annual accounts for the financial year 2022 and 2021

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

Entity	Maturity	Amount granted	Euros 2021	
			Non-current	Current
Banco Sabadell	24 April 2026	100,000	57,352.76	21,611.58
Bankinter	31 March 2026	1,000,000	840,453.18	159,546.82
Banco BBVA	31 March 2026	150,000	123,465.49	26,534.51
Cajamar	20 April 2026	500,000	391,400.81	108,599.19
Abanca	20 April 2026	150,000	126,130.40	23,869.60
Ibercaja	29 April 2026	700,000	588,134.90	111,865.10
Bankia	29 April 2026	800,000	671,067.64	128,932.36
Caja Rural de Jaén	24 April 2025	400,000	313,170.80	86,829.20
Unicaja	23 April 2026	50,000	29,639.81	12,296.42
La Caixa	03 April 2026	350,000	293,592.12	56,407.88
Banco Santander	03 April 2026	450,000	377,291.63	63,668.75
Deutsche Bank	01 November 2023	325,000	285,642.19	39,357.81
La Caixa	28 December 2022	400,000	77,504.62	82,354.24
Abanca	28 December 2022	200,000	0.09	51,282.40
Toro Finance	21 December 2024	1,329,500	249,666.64	597,640.77
		<b>6,904,500.00</b>	<b>4,424,513.08</b>	<b>1,570,796.63</b>

The breakdown of finance lease payables at 31 December 2022 and 2021 is as follows:

Entity	Maturity	Amount granted	Euros 2022	
			Non-current	Current
Toyota Credit	22 March 2027	35,947.40	29,367.83	6,579.57
Caja Rural de Jaén	20 May 2023	26,591.00	-	2,877.70
Ibercaja	08 October 2023	35,324.00	-	8,154.03
Targobank	04 November 2023	36,538.00	-	8,996.56
Ibercaja	28 September 2025	37,991.00	16,896.70	9,953.77
Ibercaja	01 February 2026	14,300.16	7,447.96	3,574.92
		<b>186,691.56</b>	<b>53,712.49</b>	<b>40,136.55</b>

Entity	Maturity	Amount granted	Euros 2021	
			Non-current	Current
Banco Santander Leasing	09 March 2022	26,108.00	-	1,663.60
Liberbank Leasing	15 June 2022	51,064.00	-	5,253.24
Banco Santander Leasing	05 April 2022	34,545.00	-	2,913.40
Banco Santander Leasing	05 September 2022	25,616.00	-	5,425.95
Caja Rural de Jaén	20 May 2023	26,591.00	2,877.70	6,749.67
Ibercaja	08 October 2023	35,324.00	8,138.77	8,731.15
Targobank	04 November 2023	36,538.00	8,996.56	9,180.01
Ibercaja	28 September 2025	35,709.00	26,098.10	9,611.28
Toyota Credit	11 January 2024	35,163.90	-	16,975.27
		<b>306,658.90</b>	<b>46,111.13</b>	<b>66,503.57</b>

The accompanying notes form an integral part of the annual accounts for the financial year 2022 and 2021

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

The loans accrue a market interest rate, generally referenced to Euribor plus a differential.

The Group has the following credit facilities at 31 December 2022 and 2021:

<b>Euros 2022</b>				
	<b>Maturity</b>	<b>Limit</b>	<b>Non-current</b>	<b>Current</b>
Deutsche Bank	17 January 2023	250,000.00	-	55,786.33
Caja Rural de Jaén	02 February 2024	500,000.00	412,946.71	-
La Caixa	30 September 2025	400,000.00	398,045.04	-
Bankia	04 May 2025	1,800,000.00	1,544,931.75	99,257.27
Santander	05 May 2025	650,000.00	418,295.73	-
Deutsche Bank	15 June 2025	650,000.00	649,543.08	-
Targobank	10 May 2026	536,000.00	439,101.97	-
Banco BBVA	20 April 2026	600,000.00	448,856.30	-
Caja Rural de Jaén	29 March 2025	200,000.00	31,258.06	-
Bankinter			-	41.17
		<b>5,586,000.00</b>	<b>4,342,978.64</b>	<b>155,084.77</b>

  

<b>Euros 2021</b>				
	<b>Maturity</b>	<b>Limit</b>	<b>Non-current</b>	<b>Current</b>
Deutsche Bank	17 January 2023	250,000.00		248,638.10
Caja Rural de Jaén	02 February 2024	500,000.00	498,478.32	
La Caixa	30 September 2025	400,000.00	191,793.56	
Bankia	04 May 2025	1,800,000.00	1,715,160.15	
Santander	05 May 2025	650,000.00	403,728.86	
Deutsche Bank	15 June 2025	650,000.00	649,814.68	
Targobank	11 June 2025	600,000.00	534,100.16	
Banco BBVA	21 April 2025	600,000.00	544,3521.3	
		<b>5,450,000.00</b>	<b>4,537,427.86</b>	<b>248,638.10</b>

These loans accrue a market interest rate, generally referenced to Euribor plus a differential.

The Company has the following discount lines as at 31 December 2022 and 2021:

	<b>Euros</b>	
	<b>2022</b>	<b>2021</b>
	<b>Current</b>	<b>Current</b>
Abanca	1,085,058.81	1,206,628.53
Bankia	3,732,227.11	3,836,162.32
Bankinter	299,993.92	499,854.66
BBVA	299,998.80	299,976.20
La Caixa	1,799,993.92	1,743,688.26
Caja Duero	299,875.71	299,961.39
Cajamar	568,469.36	591,100.03
Caja Rural	969,417.01	899,881.44
Deutsche Bank	299,794.61	299,998.20
Ibercaja	571,892.67	545,052.66
Banco Santander	1,439,456.82	1,483,922.60
Ebury	300,000.01	
Banco Pichincha	9,369.62	9,309.62
	<b>11,675,548.37</b>	<b>11,715,535.91</b>

The accompanying notes form an integral part of the annual accounts for the financial year 2022 and 2021.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

(c) Loans received from non-financial institutions

The breakdown of loans received from non-financial entities at 31 December 2022 and 2021 is as follows:

	Euros			
	2022		2021	
	Non-current	Current	Non-current	Current
Non-related				
<u>Loans from non-financial institutions</u>	950,657.58	155,077.60	1,105,731.66	155,025.27
Other	-	28,311.80	18,792.85	28,311.80
	<u>950,657.58</u>	<u>183,389.40</u>	<u>1,124,524.51</u>	<u>183,337.07</u>

The breakdown of loans received from non-financial entities at 31 December 2022 and 2022 is as follows:

	Euros			
	2022		2021	
	Non-current	Current	Non-current	Current
CDTI (T2SIP)	186,022.21	53,150.00	239,172.21	53,150.00
Ministry of Industry (RT2P)	706,167.23	85,971.52	792,135.23	85,971.52
MICROCAMIR	58,468.14	15,956.08	74,424.22	15,903.75
	<u>950,657.58</u>	<u>155,077.60</u>	<u>1,105,731.66</u>	<u>155,025.27</u>

(1) See description of these loans in note 15.

In 2015, the Company entered into the following contracts with the Ministry of Industry, Energy and Tourism:

- Development of a natively implemented safety railway operating telephony platform that allows the management of voice communications with selective and safety operating telephony technology (T2SIP). Through this agreement, the CDTI finances 85% of the initial budget of this project for an amount of 726,964 euros, so that the amount financed by the CDTI is 617,919.40 euros, of which 508,874.80 euros correspond to the reimbursable tranche and 109,044.60 euros correspond to the non-reimbursable part. As at 31 December 2022 the Company has drawn down 239,172.21 euros (31 December 2021: 292,322.21 euros).
- Development of a mid-infrared micro-camera applied to the remote detection of gases and flames in power generation and distribution plants MICROCAMIR. The loan amount will be disbursed over three years, being 7,036 euros for 2015, 26,152 euros for 2016 and 77,644 euros for 2017. For these annual instalments, a repayment period of 10 years is established, with a grace period of 3 years. The accrued interest rate will be 0.329% per year. As at 31 December 2022, the Company has drawn down 74,424.22 euros (90,327.97 euros in 2021).

In 2018, the Company entered into the following contract with the Centre for the Development of Industrial Technology (CDTI):

- Development of a real-time payment platform for road concessionaires and transport companies (RT2P), for which the CDTI granted a loan for a total amount of 921,091 euros, corresponding to 85% of the project's initial budget of 1,228,121 euros. The loan amount will be disbursed according to the project's economic timetable, estimated at 3 years. For these annual instalments, a repayment period of 11 years is established, with a grace period of 3 years. The accrued interest rate will be 0% per year. As at 31 December 2022, the Company has drawn down 792,138.75 euros (2021,327.97 euros in 878.106,75).

The accompanying notes form an integral part of the annual accounts for the financial year 2022 and 2021.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual Accounts

The Group does not recognise the difference between the fair value of aid at below-market interest rates and the amount received, as its impact on these financial statements taken as a whole is not material.

(d) Trade and other accounts payable

The breakdown of trade and other payables is as follows:

	Euros			
	2022		2021	
	Non-current	Current	Non-current	Current
<i>Group</i>				
Suppliers	-	617,675.40	-	55,530.64
<i>Non-related</i>				
Suppliers	-	14,160,151.93	-	11,803,496.65
Other debts with Public Authorities (note 18)	-	769,344.60	-	597,906.86
Advances received from clients	-	1,616,717.42	-	1,700,520.78
	-	<b>17,163.889.35</b>	-	<b>14,157,454.93</b>

(e) Classification by maturity

The classification of financial liabilities by maturity is shown below:

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

Notes to the Consolidated Annual Accounts for 2021

Maturity Classification of Financial Liabilities and Trade Payables for the year  
ended 31 December 2022  
(Expressed in Euros)

	Euros							Total non-current
	2023	2024	2025	2026	2027	Subsequent years	Less current	
Debts								
Debts with group companies	288,449.00						(288,449.00)	-
Debts with credit entities	14,389,601.59	2,376,985.38	4,517,329.19	1,271,126.71	-	-	(14,389,601.59)	8,165,441.28
Finance lease payables	40,136.55	20,372.68	17,637.26	7,704.08	7,998.47	-	40,136.55	53,712.49
Other financial liabilities	183,389.40	155,127.00	155,179.00	154,204.00	123,852.43	362,295.15	(183,389.40)	950,657.58
Trade and other accounts payable							-	-
Suppliers	14,160,151.93						(14,160,151.93)	-
Suppliers, group and associate companies	617,675.40						(617,675.40)	-
Other debts								
Client advances	1,616,717.42						(1,616,717.42)	-
<b>Total financial liabilities</b>	<b>31,296,121.36</b>	<b>2,552,485.06</b>	<b>4,690,145.45</b>	<b>1,433,034.79</b>	<b>131,850.90</b>	<b>362,295.15</b>	<b>(31,453,827.45)</b>	<b>9,169,811.35</b>

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

Notes to the Consolidated Annual Accounts for 2021

Maturity Classification of Financial Liabilities and Trade Payables for the year  
ended 31 December 2021  
(Expressed in Euros)

	Euros						Less current	Total non- current
	2022	2023	2024	2025	2026	Subsequent years		
Debts								
Debts with group companies	144,146.57						(144,146.57)	-
Debts with credit entities	13,534,970.64	1,596,803.90	1,947,583.83	4,086,545.11	1,430,305.13	0.19	(13,534,970.64)	9,061,238.16
Finance lease payables	66,503.57	28,849.64	9,530.00	7,366.10	-	365.39	(66,503.57)	46,111.13
Other financial liabilities	183,337.07	174,066.85	155,327.00	155,379.00	154,404.00	485,347.66	(183,337.07)	1,124,524.51
Trade and other accounts payable								-
Suppliers	11,803,496.65						(11,803,496.65)	-
Suppliers, group and associate companies	55,530.64						(55,530.64)	-
Other debts							-	-
Client advances	1,700,520.78						(1,700,520.78)	-
<b>Total financial liabilities</b>	<b>27,488,505.92</b>	<b>1,799,720.39</b>	<b>2,112,440.83</b>	<b>4,249,290.21</b>	<b>1,584,709.13</b>	<b>485,713.24</b>	<b>(27,488,505.92)</b>	<b>10,231,873.80</b>

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual

**(18) Accruals**

The breakdown of accruals is as follows:

	Euros	
	2022	2021
Anticipated income	193,860.52	562,953.03
<b>Total</b>	<b>193,860.52</b>	<b>562,953.03</b>

**(19) Tax situation**

The breakdown of the Group's balances with public authorities at 31 December 2022 and 2021 is as follows:

	Euros			
	2022		2021	
	Non-current	Current	Non-current	Current
Assets				
Deferred tax assets	158,476.85		158,476.85	
Value Added Tax		452,810.07		443,900.58
Other receivables from the Treasury (JVs)		109,965.64		56,084.03
Withholdings		102,360.29		189,025.65
	<b>158,476.85</b>	<b>665,136.00</b>	<b>158,476.85</b>	<b>689,010.26</b>

	Euros			
	2022		2021	
	Non-current	Current	Non-current	Current
Liabilities				
Deferred tax liabilities	1,270.00		1,270.00	
Value Added Tax				64,599.95
Social Security		222,507.47		206,513.83
Withholdings		381,118.84		171,714.08
Other		165,718.29		155,079.00
	<b>1,270.00</b>	<b>769,344.60</b>	<b>1,270.00</b>	<b>597,906.86</b>

As at 31 December 2022, the Group has all major taxes applicable to it from 2019 (2018 for corporate income tax) open for inspection by the tax authorities.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual

However, the tax authorities' right to check or investigate tax losses offset or pending offset, double taxation deductions and deductions to encourage the performance of certain activities applied or pending application, expire 10 years after the day following the end of the period established for filing the tax return or self-assessment corresponding to the tax period in which the right to offset or apply them arose. Once this period has elapsed, the Group must prove the tax losses or deductions by presenting the tax return or self-assessment and the accounts, with proof of their deposit during the aforementioned period at the Commercial Registry.

As a result, among other things, of the different possible interpretations of current tax legislation, additional liabilities may arise as a result of an inspection. In any case, the directors of the Company consider that such liabilities, should they arise, would not materially affect the annual accounts.

(a) Income tax

The Spanish companies forming part of the Group are taxed under the consolidated tax regime (see note 4 (q)), and the Parent Company is not the head of the tax group. All other companies are taxed individually in the relevant jurisdiction.

However, the Parent Company's corporate income tax data are included below:

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual

## Reconciliation between the net amount of income and expenses for the year and the tax base for the year ended 31 December 2022 of the Parent Company

(Expressed in Euros)

	Profit and loss account		Net	Euros 2022 Revenue and expenses attributed to equity Net			Total
	Increase	Decrease		Increase	Decrease	Net	
Balance of income and expenditure for the year			629,709.52			- -	629,709.52
Corporate tax of the year			-			- -	-
(Loss)/Profit before tax from			629,709.52			- -	629,709.52
Permanent differences	309,803.22	(8,697.90)	301,105.32			-	301,105.32
Temporary differences treated as permanent			-			-	-
Temporary differences	29,784.75	(43,897.54)	(14,112.79)	-		- -	(14,112.79)
Tax base			916,702.05				916,702.05
Offsetting tax losses			(421,041.25)				
Tax base (taxable income)			495,660.80				

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual

## Reconciliation between the net amount of income and expenses for the year and the tax base for the year ended 31 December 2021 of the Parent Company

(Expressed in Euros)

	Profit and loss account			Euros 2021 Revenue and expenses attributed to equity Net			Total
	Increase	Decrease	Net	Increase	Decrease	Net	
Balance of income and expenditure for the year			641,240.53			- -	641,240.53
Corporate tax of the year			3,515.43			- -	3,515.43
(Loss)/Profit before tax from			644,755.96			- -	644,755.96
Permanent differences	381,548.46		381,548.46			-	381,548.46
Temporary differences treated as permanent			-			-	-
Temporary differences	38,120.24	(851,226.95)	(813,106.71)	-		- -	(813,106.71)
Tax base			213,197.71				213,197.71
Offsetting tax losses			(106,598.85)				(106,598.85)
Tax base (taxable income)			106,598.85				106,598.85

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual

The calculations made in relation to the Parent Company's income tax are as follows:

	<b>2022</b>	<b>2021</b>
<b>Quota at 25% of the taxable base</b>	<b>123,915.20</b>	<b>26,649.71</b>
Deductions	<u>(123,915.20)</u>	<u>(26,649.71)</u>
<b>Net quota</b>	<b>(0.00)</b>	<b>0.00</b>

The main components of the Parent Company's income tax expense (income) are as follows:

	<b>2022</b>	<b>2021</b>
Current tax	(10,192.51)	(10,192.51)
Deferred tax	8,493.51	8,493.51
Difference tax rate	1,699.00	1,699.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

The breakdown of the movement in temporary differences in the recognition of income and expenses for accounting and tax purposes, and the related cumulative tax effect, of the Parent Company is as follows:

	<b>2022</b>			
	<b>01.01.2022</b>	<b>Origin</b>	<b>Reversal</b>	<b>31.12.2022</b>
Assets				
Provisions	13,955.00	-	-	13,955.00
Depreciation of fixed assets	37,905.63	-	-	37,905.63
Deductions	4,534.25	-	-	4,534.25
Negative taxable income	11,942.53	-	-	11,942.53
	<b>68,337.41</b>	<b>-</b>	<b>-</b>	<b>68,337.41</b>
	<b>2021</b>			
	<b>01.01.2021</b>	<b>Origin</b>	<b>Reversal</b>	<b>31.12.2021</b>
Assets				
Provisions	13,955.00	-	-	13,955.00
Depreciation of fixed assets	37,905.63	-	-	37,905.63
Deductions	4,534.25	-	-	4,534.25
Negative taxable income	11,942.53	-	-	11,942.53
	<b>68,337.41</b>	<b>-</b>	<b>-</b>	<b>68,337.41</b>

The Parent Company has recognised deferred tax assets and unused tax credits relating to the right to deduct tax credits for the inclusion in the tax base of depreciation not deducted in the tax periods beginning in 2013 and 2014, which can be included in subsequent tax periods without any time limit.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual

On 27 November 2014, Law 27/2014 was passed, which establishes a lower general tax rate for tax years beginning on or after 1 January 2015. The general tax rate is 25%, which will be applicable for tax periods beginning on or after 1 January 2016. In turn, the aforementioned Law establishes that there will be no time limit on the offsetting of tax losses pending offset at the beginning of 2015.

For tax periods commencing on or after 1 January 2016, Royal Decree-Law 3/2016 introduced amendments in relation to the offsetting of tax losses generated in previous years, the main features of which are as follows:

- Taxable entities or groups whose turnover during the 12-month period prior to the beginning of the tax year was less than 20 million euros may only apply tax loss carry forwards from previous years up to 60 per cent (70 per cent in 2017) of the tax base prior to such offsetting.
- Entities whose turnover during the 12-month period prior to the start of the financial year was at least 20 million euros and less than 60 million euros: they may only apply tax losses pending offset from previous financial years up to 50 per cent of the taxable income prior to said offset.
- Entities whose turnover during the 12-month period prior to the start of the year was at least 60 million euros: they may only apply tax losses pending offset up to 25 per cent of the tax base prior to such offset.

In any case, tax losses may be offset in the tax period up to the amount of 1 million euros.

The Parent Company incurred tax losses in the past, which it has contributed to the tax group at 31 December 2022 and 2021, as follows in breakdown:

Negative tax base	<b>Negative tax base</b>		
	<b>Financial Year</b>	<b>2022</b>	<b>2021</b>
	2009	230,499.06	230,499.06
	2011	174.71	174.71
	2012	966,193.46	966,193.46
	2013	18,662.75	18,662.75
	2015	93,282.04	93,282.04
	2016	122,407.40	122,407.40
	2017	487,701.73	487,701.73
	<u>2018</u>	<u>1,964.64</u>	<u>1,964.64</u>
	<b>Total</b>	<b>1,920,885.79</b>	<b>1,920,885.79</b>

**(20) Related Party Balances and Transactions****(a) Balances with related parties**

The breakdown of balances by category in Group companies that have not been included in the scope of consolidation is shown below:

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual

	Euros 2022							
Balances with related parties	Grupo Revenga Ingenieros, S.L.	Grassland Servicios Agropecuarios, S.L.	Dunna Equilibra Investment Group, S.L	Consorcio Globe Revenga, S.A.	Revenga Brasil Solucoes em Tecnologia Ltda.	Revenga Ingenieros, S.A. (Egypt)	JVs	Total
Long-term investments in group companies and associates								
Equity instruments						508.28		508.28
Provision Equity instruments Loans to companies								0.00
Long-term customers, group and associated companies								0.00
Long-term tax effect credits								0.00
Long-term loans to								
Long-term receivables from the group	1,544,914.46							1,544,914.46
<b>Total non-current assets</b>	<b>1,544,914.46</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>508.28</b>	<b>0.00</b>	<b>1,545,422.74</b>
Trade and other receivables								
Short-term customers, group and associated companies				261,256			6,343	267,598.84
Short-term tax effect credits								0.00
Short-term receivables from the group	3,141,402.78	1,023,213.00	23,473.54		14,426.30	3,067.64		4,205,583.26
Other investments								0.00
<b>Total current assets</b>	<b>3,141,402.78</b>	<b>1,023,213.00</b>	<b>23,473.54</b>	<b>261,256.11</b>	<b>14,426.30</b>	<b>3,067.64</b>	<b>6,342.73</b>	<b>4,473,182.10</b>
<b>Total Assets</b>	<b>4,686,317.24</b>	<b>1,023,213.00</b>	<b>23,473.54</b>	<b>261,256.11</b>	<b>14,426.30</b>	<b>3,575.92</b>	<b>6,342.73</b>	<b>6,018,604.84</b>
Suppliers	-565,000.00	-49,610.00					-3,065.40	-617,675.40
Loans								0.00
Short-term group accounts payable balances	0							0
<b>Total current liabilities</b>	<b>-565,000.00</b>	<b>-49,610.00</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>-3,065.40</b>	<b>-617,675.40</b>
<b>Total liabilities</b>	<b>-565,000.00</b>	<b>-49,610.00</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>-3,065.40</b>	<b>-617,675.40</b>

The accompanying notes form an integral part of the annual accounts for the financial year 2022 and 2021.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual

	Euros 2021						Total
	Group Revenga Ingenieros, S.L.	Grassland Servicios Agropecuarios, S.L.	Dunna Equilibra Investment Group, S.L	Consortium Globe Revenga, S.A.	Group Revenga Technologies Ecuador	Revenga Ingenieros, S.A. (Egypt) - in constructi on phase	
<b>Balances with related parties</b>							
Long-term investments in group companies and associates							
Equity instruments					2,327.54	0.00	2,327.54
Provision Equity Instruments Trade and other receivables							0.00
Long-term customers, group and associated companies							0.00
Long-term tax effect credits							0.00
Long-term receivables from the group	1,544,914.46						1,544,914.46
<b>Total non-current assets</b>	<b>1,544,914.46</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2,327.54</b>	<b>0.00</b>	<b>1,547,242.00</b>
Trade and other receivables							
Short-term customers, group and associated companies	97,145.17	32,621.06		1,326,536		156,006.92	1,612,309.59
Short-term tax effect credits							0.00
Short-term receivables from the group	2,597,718.35	2,153,073.28		22,530.68		7,523.19	4,788,433.13
Other investments							0.00
<b>Total current assets</b>	<b>2,694,863.52</b>	<b>2,185,694.34</b>	<b>0.00</b>	<b>1,349,067.12</b>	<b>0.00</b>	<b>7,523.19</b>	<b>6,400,742.72</b>
<b>Total Assets</b>	<b>4,239,777.98</b>	<b>2,185,694.34</b>	<b>0.00</b>	<b>1,349,067.12</b>	<b>2,327.54</b>	<b>7,523.19</b>	<b>7,947,984.72</b>
Suppliers	-1,430.66						-54,099.98
Loans							0.00
Short-term group accounts payable balances	-26,502.00						-26,502.00
<b>Total current liabilities</b>	<b>-27,932.66</b>					<b>0.00</b>	<b>-82,032.64</b>
<b>Total liabilities</b>	<b>-27,932.66</b>					<b>0.00</b>	<b>-82,032.64</b>

The accompanying notes form an integral part of the annual accounts for the financial year 2022 and 2021.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual

Current accounts with Group companies as at 31 December 2022 and 2021 mainly include amounts related to financing that the Group lends to or receives from Group companies. These current accounts are remunerated at market rates.

(b) Company related party transactions

The Group's transactions with related parties are shown below:

	2022		
	Grupo Revenga Ingenieros, S.L.	Grassland Servicios Agropecuarios, S.L.	Total
Net sales			
Sales			0.00
Other services provided	30,614.89	37,372.29	67,987.18
Leases			0.00
Profit on sale of fixed assets			0.00
Financial revenue	99,905.10	35,253.53	135,158.63
<b>Total revenue</b>	<b>130,519.99</b>	<b>72,625.82</b>	<b>203,145.81</b>
Expenses			
Net purchases			0.00
Other Services Received	-1,035,524.33		-1,035,524.33
Ext. services			0.00
Financial expenses			0.00
External services		-246,000.00	-246,000.00
<b>Total expenses</b>	<b>-1,035,524.33</b>	<b>-246,000.00</b>	<b>-1,281,524.33</b>
	2021		
	Grupo Revenga Ingenieros, S.L.	Grassland Servicios Agropecuarios, S.L.	Total
Net sales			
Sales			0.00
Other services provided			0.00
Leases		30,000.00	30,000.00
Profit on sale of fixed assets			0.00
Financial revenue	97,145.17	32,621.06	129,766.23
<b>Total revenue</b>	<b>97,145.17</b>	<b>62,621.06</b>	<b>159,766.23</b>
Expenses			
Net purchases			0.00
Other Services Received	-468,325.87		-468,325.87
Ext. services			0.00
Financial expenses			0.00
External services		-246,000.00	-246,000.00
<b>Total expenses</b>	<b>-468,325.87</b>	<b>-246,000.00</b>	<b>-714,325.87</b>

The accompanying notes form an integral part of the annual accounts for the financial year 2022 and 2021.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual

(c) Information relating to Company directors and senior management staff

At 31 December 2022 and 2021, there were no advances to the Group's directors.

The remuneration, allowances and payments of any kind accrued during the financial year ended 31 December 2022 and 2021 by the Directors of Revenga Ingenieros, S.A. has been nil. It is considered that there are no senior management staff in the Company other than the members of the Board of Directors.

Furthermore, the Company has no pension and life insurance obligations to former or current Directors of the Company and no guarantee obligations have been assumed on their behalf.

(d) Transactions not in the ordinary course of business or at other than arm's length by the Directors of the Company

In 2022 and 2021, the directors of the Company and their related parties have not entered into any transactions with the Company outside the ordinary course of business or on other than arm's length terms.

(e) Conflicts of interest of the Directors

In 2022 and 2021, the directors of the Company and their related parties have not incurred in any conflict of interest situation that has had to be reported in accordance with the provisions of article 229 of the Consolidated Text of the Spanish Companies Act.

**(21) Revenue and expenses**(a) Net turnover and variation in production

The breakdown of net turnover by business category and geographical market is as follows:

	<b>2022</b>			<b>Total</b>
	<b>Euros</b>			
	<b>National</b>	<b>European Union</b>	<b>International (not European Union)</b>	
Revenue from the sale of goods	18,793,419.90	677,697.09	14,615,786.14	34,086,903.13
Revenue from the provision of services	4,596,496.91	46,535.44	8,068,479.69	12,711,512.04
	<b>23,389,916.81</b>	<b>724,232.53</b>	<b>22,684,265.83</b>	<b>46,798,415.17</b>
	<b>National</b>	<b>European Union</b>	<b>International (not European Union)</b>	
Var. Stocks of finished goods and work in progress	1,416,327.85	(198,494.83)	(4,496,466.43)	(3,278,633.41)



## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual

(d) Social Security expenses and Provisions

The breakdown of social security expenses and provisions is as follows:

	<u>Euros</u>	
	<u>2022</u>	<u>2021</u>
Social benefit expenses		
Employer cost social security <sup>2</sup>	2,305,392.56	2,063,883.10
Other corporate expenses	846,348.64	568,587.25
	<u><b>3,151,741.20</b></u>	<u><b>2,632,470.35</b></u>

(e) Profit/Loss from withdrawals and disposals of fixed assets

The breakdown of the result on disposal of fixed assets is as follows:

	<u>Euros</u>	
	<u>2022</u>	<u>2021</u>
Profit		
Property, plant and equipment	6,582.95	210,442.53
	<u><b>6,582.95</b></u>	<u><b>210,442.53</b></u>

Profit on fixed assets in 2022 mainly relates to the sale of several items of property, plant and equipment that took place during the year. The 2021 result mainly corresponded to the sale of the Santa María de Rivaredonda warehouse (Burgos) and the remainder to the sale of various items of property, plant and equipment during the year.

(f) Transactions in foreign currency

The breakdown of profit and loss in foreign currencies is as follows:

	<u>Euros</u>	
	<u>2022</u>	<u>2021</u>
Income		
Net sales	9,312,619.97	6,596,397.98
	<u><b>9,312,619.97</b></u>	<u><b>6,596,397.98</b></u>
Expenses		
Net purchases	(3,399,315.70)	933,014.44
	<u><b>(3,399,315.70)</b></u>	<u><b>933,014.44</b></u>

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual

**(22) Information of employees**

The average number of employees of the Group during the financial years 2022 and 2021, broken down by category, is as follows:

	<u>Number</u>	
	<u>2022</u>	<u>2021</u>
Directors	2.00	4.00
Middle managers	14.00	13.00
Graduates	81.00	68.00
Administrative staff	19.00	15.00
Project managers	16.00	15.00
Warehouse / Workshop	25.00	19.00
Installers	42.00	36.00
	<u>199.00</u>	<u>170.00</u>

The gender distribution of staff and Directors as at 31 December 2022 and 2021 is as follows:

	<u>2022</u>		<u>2021</u>	
	<u>Women</u>	<u>Men</u>	<u>Women</u>	<u>Men</u>
Board members				
Directors		2	-	4
Middle managers	3	11	2	10
Graduates	17	66	14	59
Administrative staff	13	7	12	6
Project managers	14	4	13	4
Warehouse / Workshop	5	21	4	16
Installers		42	-	42
	<u>52</u>	<u>153</u>	<u>45</u>	<u>141</u>

The Group has contracted employees with a disability of 33% or more as at 31 December 2022 and 2021 as follows:

	<u>2022</u>		<u>2021</u>	
	<u>Women</u>	<u>Men</u>	<u>Women</u>	<u>Men</u>
Directors	-	1	-	1
Commercial management / Workshop	-	2	-	2
Graduates			1	
Administrative staff	-	1	-	1
Installers	-	-	-	-
	<u>1</u>	<u>4</u>	<u>1</u>	<u>4</u>

The accompanying notes form an integral part of the annual accounts for the financial year 2022 and 2021.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual

**(23) Audit fees**

In 2023, the Company has appointed the auditing firm BDO Auditores, S.L. as auditors of the consolidated annual accounts for the years 2021 and 2022.

The fees for services rendered for the audit of annual accounts by such companies during the years ended 31 December 2022 and 2021, regardless of the time of invoicing, are as follows:

	<u>Euros</u>	
	<u>2022</u>	<u>2021</u>
By audit services	61,500.00	57,100.00

**(24) Guarantees Committed to Third Parties and Other Contingent Liabilities**

At 31 December 2022, the Group has submitted guarantees to certain public bodies for tenders and construction work for an approximate amount of 16,032,838.41 euros (18,633,760.70 euros at 31 December 2021). The Directors of the Company consider that there is no risk related to the guarantees deposited.

**(25) Information on payment deferrals made to suppliers. Third additional provision: Duty of information, of Act 15/2010, of 5 July.**

Information on the Group's average supplier payment period is as follows:

	<u>Euros</u>	
	<u>2022</u>	<u>2021</u>
Information on average supplier payment period	64.91	72.36
Ratio of paid transactions	60.49	68.60
Ratio of transactions pending payment	76.03	81.70
Total payments made	32,284,622.99	26,029,022.58
Total outstanding payments	12,825,984.10	10,422,462.77
Monetary volume of invoices paid <60 days	20,576,085.79	13,817,883.87
Percentage of total payments made	63.70%	53.09%
Number of invoices paid <60 days	6,554.00	6,651.00
Percentage of total paid invoices	84.55%	86.46%

**(26) Business combination**

On 14 December 2022, as mentioned in notes 1, 6 and 14, and effective for accounting purposes from 1 January 2022, the Parent Company, by means of a partial spin-off, transferred part of its assets and liabilities forming an economic unit, consisting of its real estate business, to Grassland Servicios Agropecuarios, S.L. As a result of the demerger, the following changes have taken place in the Company:

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual

- On the one hand, it has reduced its assets by 1,903,224.56 euros in the following items:
  - o Land corresponding to the Salcedo Building in Madrid, Marchamalo and Benavente for 737,901.16 euros.
  - o Net constructions corresponding to the Salcedo Building in Madrid amounting to 1,165,323.49 euros.
- And secondly, it has reduced its share capital by 2,300.00 euros by reducing the nominal value of its shares by 0.01 euros per share and has reduced its voluntary reserves by 1,900,924.65 euros.

**(27) Risk policy and risk management**

The Group's activities are exposed to various financial risks: currency risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the uncertainty of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

a) Exchange rate risk

The Group operates on an international basis and is therefore exposed to foreign exchange risk on currency transactions, especially the US dollar, the Colombian peso and the Turkish lira.

This risk arises when future commercial transactions, recognised assets and liabilities and net investments in foreign operations are denominated in a currency other than the Group's functional currency. The Treasury Department is responsible for managing the net position in each foreign currency using external foreign exchange forward contracts.

b) Credit risk

The Group does not have significant concentrations of credit risk and has policies to insure clients with adequate credit histories. It also develops actions to limit the amount of risk.

Valuation allowance for bad debts of clients involves a high degree of judgement by management and the review of individual balances based on the credit quality of the clients, current market trends and historical analysis of bad debts at an aggregate level.

c) Liquidity risk

The Group manages liquidity risk in a prudent manner, based on the maintenance of sufficient cash and marketable securities, the availability of funding through a sufficient amount of committed credit facilities and sufficient capacity to liquidate market positions. Given the dynamic nature of the underlying businesses, the Group aims to maintain flexibility in financing through the availability of contracted credit lines. The reasons why the Parent Company's directors have prepared these financial statements on a going concern basis are explained in note 2 (e).

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Notes to the Consolidated Annual

**(28) Post-closing events**

From 31 December 2022 until the preparation of these financial statements by the Board of Directors of the Parent Company, the following significant events have occurred:

- a) In order to concentrate the smart mobility business and thus attract new investors, on 24 April 2023, the Parent's sole shareholder approved the partial spin-off plan submitted by the Parent's directors, whereby the Parent will partially spin off the 3dnet business line, the supply and sale of telecommunications liabilities, to a newly created company, to be called 3DNET NETWORKS, S.L.U.

The assets to be demerged and brought into the new company will be as follows:

Category Asset	on 31/03/23		
	Cost	Dep. Acum.	Net value
Intangible fixed assets	458,307.19	-167,209.00	291,098.19
Land and buildings	535,000.00	-232,673.24	302,326.76
Installations, machinery, furniture and other	2,409,064.67	-1,804,911.49	604,153.18
Inventory stock	2,740,428.02		2,740,428.02
<b>Total Assets to be spun off</b>	<b>6,142,799.88</b>	<b>-2,204,793.73</b>	<b>3,938,006.15</b>

In addition, the staff, all contracts in place at the effective date of the transfer, as well as the assets and liabilities associated with this activity will be transferred.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Consolidated Directors' Report

The report has been prepared in accordance with the requirements of Spanish law.

**a) Business performance and the Group's situation and foreseeable development**

Although the year 2021 was affected by the successive waves of Covid, our activity was not interrupted, which allowed us to produce and execute projects relatively normally, highlighting the value of the contracting achieved in 2020, where we reached €100m of backlog. In 2021, order intake was further boosted to €115m in the portfolio.

In 2022, Revenga Smart Solutions has been a year of growth in revenue and profitability, consolidating the Revenga Smart Solutions project for smart mobility technology.

Turnover in 2022 was €46.8m, 20.7% higher than in 2021 (€38.8m). Gross operating profit (EBITDA) was €4.2m, 66.8% higher than in 2021 (€2.52m).

These results show the progress we have made in our bid to be a relevant player in smart mobility, with a greater contribution of value, which translates into greater profitability. The positive circle of a larger portfolio, better project selection and better contracting conditions is enabling us to drive forward the plan for Revenga Smart Solutions, embodied in the RSS Plan 2023-2026. This plan is intended to allow us to increase sales, with a structure that grows at a much lower rate, which should allow us to continue to improve EBITDA in the coming years.

Projects in 2021 and 2022 include the execution of projects such as ENR (Egypt), with the supply of the first 50 RailRox (level crossings) of the 300 contemplated in the project; the Ticketing system & operating support system for more than 250 buses for Alsa in Lisbon, with our RT2P and openSAE platforms; the **Ticketing system for L1 of the Quito Metro**, with more than 1.200 access controls and our RT2P back-office working on CLOUD; the **ITS systems of the AVO Tunnel (Chile)**, which opened to traffic in June 2022, with 9.5km of urban tunnel in Santiago de Chile; the **190 RailRox level crossings and RailXcan communications and detection systems of the CCFC Uruguay (270Km)** to be commissioned in 4Q2023/1Q2024, where RailRox is integrated into the ERTMS Level 1 of CAFS, or finally the **ITS and tunnel management system of the AUSOL motorway in Andalusia**, the first in Spain to adapt tunnel safety to European regulations, where we have deployed our openITS platform and a totally innovative DAI (automatic incident detection) (SmarTube).

In 2022 and 2023 we continued to increase the pace of contracting, with leading projects such as the station control system and passenger information systems for Line 6 of the S. Paulo Metro, the management and ticketing system for Murcia City Council buses and the level crossings (RailRox) on the Larissa-Volos route of the Greek railway network.

We face the 2023-2026 period with strength and optimism, with a portfolio of more than €100M, 55% outside Spain and a pipeline of more than €250M of smart mobility technology projects, being the partner of the major infrastructure managers. Inflation, problems in the supply chain and the war in Ukraine have partly neutralised the expected effect of the Next Generation EU funds, but the solidity of the portfolio, the geographical and solution diversification and the relevance of our technological contribution in smart mobility for large infrastructure managers guarantee a positive and profitable RSS 2023-2026 plan, creating value for shareholders and for the Group.

In 2022, we received the Credit Suisse-Forbes Sustainability Award in the Technology category, which confirms and helps us to continue our commitment to the SDGs and the 2030 agenda.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Consolidated Directors' Report

**b) Main risks and uncertainties**Exchange rate risk

The Group operates on an international basis and is therefore exposed to foreign exchange risk on currency transactions, especially the US dollar, the Colombian peso and the Turkish lira.

This risk arises when future commercial transactions, recognised assets and liabilities and net investments in foreign operations are denominated in a currency other than the Group's functional currency. The Treasury Department is responsible for managing the net position in each foreign currency using external foreign exchange forward contracts.

Credit risk

The Group does not have significant concentrations of credit risk and has policies to insure clients with adequate credit histories. It also develops actions to limit the amount of risk.

Valuation allowance for bad debts of clients involves a high degree of judgement by management and the review of individual balances based on the credit quality of the clients, current market trends and historical analysis of bad debts at an aggregate level.

Liquidity risk

The Group manages liquidity risk in a prudent manner, based on the maintenance of sufficient cash and marketable securities, the availability of funding through a sufficient amount of committed credit facilities and sufficient capacity to liquidate market positions. Given the dynamic nature of the underlying businesses, the Group aims to maintain flexibility in financing through the availability of contracted credit lines. The reasons why the Parent Company's directors have prepared these financial statements on a going concern basis are explained in note 2 (e).

**c) Significant events occurring after the end of the reporting period**

From 31 December 2022 until the preparation of these financial statements by the Board of Directors of the Parent Company, the following significant events have occurred:

- a) In order to focus the smart mobility business and thus attract new investors, on 24 April 2023, the Parent's sole shareholder approved the partial demerger plan submitted by the directors of the Parent in all its terms. The Parent Company will partially spin off the 3dnet business line, the supply and sale of telecommunications liabilities, to a newly created company, to be called 3DNET NETWORKS, S.L.U.

## REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

## Consolidated Directors' Report

The assets to be demerged and brought into the new company will be as follows:

Category Asset	on 31/03/23		
	Cost	Dep. Acum.	Net value
Intangible fixed assets	458,307.19	-167,209.00	291,098.19
Land and buildings	535,000.00	-232,673.24	302,326.76
Installations, machinery, furniture and other	2,409,064.67	-1,804,911.49	604,153.18
Inventory stock	2,740,428.02		2,740,428.02
<b>Total Assets to be spun off</b>	<b>6,142,799.88</b>	<b>-2,204,793.73</b>	<b>3,938,006.15</b>

In addition, the staff, all contracts in place at the effective date of the transfer, as well as the assets and liabilities associated with this activity will be transferred.

**d) R&D activity**

The Company carries out R&D activities, as described in Note 5 and referred to in note a).

**e) Acquisition of own shares**

There have been no acquisitions of own shares by the Company.

**f) Average supplier payment period**

The average payment period to suppliers during the year was 65 days (72 days in 2021), rising to 71 days if the ratio of transactions pending payment is included (76 days in 2021).

REVENGA INGENIEROS, S.A.U. AND SUBSIDIARIES

Financial year 2022 and 2021

The directors of the company Revenga Ingenieros, S.A., meeting on 28 April 2023 and in compliance with the requirements established in article 253.2 of the Consolidated Text of the Spanish Companies Act and in article 37 of the Code of Commerce, proceed to prepare the consolidated annual accounts and the consolidated management report for the financial years from 1 January 2021 to 31 December 2022. The annual accounts are set out in the documents annexed hereto.

Signatories:

*[Signature]*

Ex art. 109 Commercial Registry Regulations due to the decease of the Chairman

Mr. Manuel Revenga García

Mr. Arturo Revenga Shanklin

Deputy Chairman

*[Signature]*

Mr. Arturo Revenga Shanklin

Director

*[Signature]*

Mr. Enrique Cortes García de Herrerros

Director