

# INTEK GROUP

Registered office: 20121 Milan (MI) - Foro Buonaparte 44  
Share capital Euro 335,069,009.80, fully paid-up  
Tax Code and Milan Companies Register no. 00931330583  
www.itkgroup.it

## PRESS RELEASE

**THE BOARD OF DIRECTORS OF INTEK GROUP SPA HAS APPROVED THE DRAFT FINANCIAL STATEMENTS FOR THE YEAR 2020.**

- Profit for the year of Euro 6.5 million (loss of Euro 1.0 million in 2019).
- Equity of Euro 507.2 million (Euro 500.8 million as at 31 December 2019).
- Negative Net Financial Position of Euro 67.4 million (negative by Euro 49.2 million as at 31 December 2019).
- Consolidated Financial Statements: profit of Euro 4.5 million and Equity of Euro 507.2 million (loss of Euro 1.9 million and equity of Euro 502.6 million in 2019).
- **PERFORMANCE OF PRIMARY INVESTMENTS:**
  - KME SE: revenues from sales amounting to Euro 1,882.4 million (-16.4% compared to 2019), revenues from sales net of raw materials equal to Euro 531.9 million (-11.3% compared to 2019) and EBITDA of Euro 75.1 million (-13.2% compared to 2019). Activities intended to increase the value of KME SE are under way, with the legal separation of the two *Special* and *Copper* businesses, making it possible to pursue individual enhancement paths and differentiated strategic solutions.
  - Culti Milano SpA continues to grow in its reference markets, particularly in Italy and Asia, including through a new acquisition. Pro-forma consolidated revenues of Euro 15.3 million and EBITDA of Euro 3.6 million (+9.2% and +100%, respectively, compared to the pro-forma data from 2019).
- **ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING CALLED FOR 7 AND 8 JUNE 2021 TO APPOINT THE NEW CORPORATE BODIES, APPROVE THE FINANCIAL STATEMENTS AND RENEW RESOLUTIONS FOR THE PUBLIC EXCHANGE OFFER ON INTEK GROUP SAVINGS SHARES.**

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*Milan, 26 April 2021* - The Board of Directors of Intek Group SpA, a diversified investment holding company, today approved the parent company's draft financial statements as at 31 December 2020, the consolidated financial statements and the Report on corporate governance and ownership structure prepared pursuant to article 123-*bis* of Italy's Consolidated Law on Finance (TUF, Testo Unico sulla Finanza).

The Annual Financial Report as at 31 December 2020, along with the Report on corporate governance and ownership structure, is expected to be made public, together with the reports of the Independent Auditors and the Board of Statutory Auditors, by 30 April 2021 and will be available at the registered office as well as on the website [www.itkgroup.it](http://www.itkgroup.it) and the authorised storage system "eMarket STORAGE" ([www.emarketstorage.com](http://www.emarketstorage.com)).

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## Most significant events occurred in 2020

The main events characterising the operations of Intek and its investees in 2020 and the initial months of 2021 are described below.

### (i) Increasing the value of the copper sector

As of 1 July 2020, the “*Special*” and “*Copper*” businesses were legally separated within the company KME Germany GmbH & Co. KG. The two businesses are now part of KME Special Products GmbH & Co. KG and KME Germany GmbH (both direct subsidiaries of KME SE). The legal separation of the two businesses will allow for improved operations management and increase the management’s focus, in addition to making it possible to pursue individual enhancement paths and differentiated strategic solutions.

Revenues from sales amounted to Euro 1,882.4 million (-16.4% compared to 2019), revenues from sales net of raw materials equalled Euro 531.9 million (-11.3% compared to 2019) and EBITDA came to Euro 75.1 million (-13.2% compared to 2019). Especially in the second part of the year, these data suffered from the consequences of the climate of uncertainty linked to the effects of the Covid-19 pandemic. The initial months of 2021 instead marked a decisive recovery in business volumes.

### (ii) Culti Milano SpA

Culti Milano is accentuating its conversion into a company focusing on personal well-being (perfumes, personal hygiene, cosmetics), with the acquisition of the controlling holding of Bakel Srl (2019), a company whose business focuses on cosmetics products made from natural active ingredients, and Scent Company Srl (2020), a company active in olfactory branding. A joint venture was also launched in Hong Kong and a subsidiary was opened in Shanghai.

Culti and its subsidiaries recorded pro-forma consolidated turnover in 2020 of Euro 15.3 million and a pro-forma consolidated EBITDA of Euro 3.6 million, compared to Euro 14 million and Euro 1.8 million, respectively, in 2019.

### (iii) Extraordinary finance transactions

The new five-year 2020-2025 Intek Group Bond for a total of Euro 75.9 million and with a fixed interest rate of 4.5% was issued in February 2020. Between the public subscription offer and the exchange offer on the previous Intek bonds, demand totalled Euro 92.6 million. This transaction made it possible to improve the configuration of Intek’s debt by extending its maturity and reducing its cost.

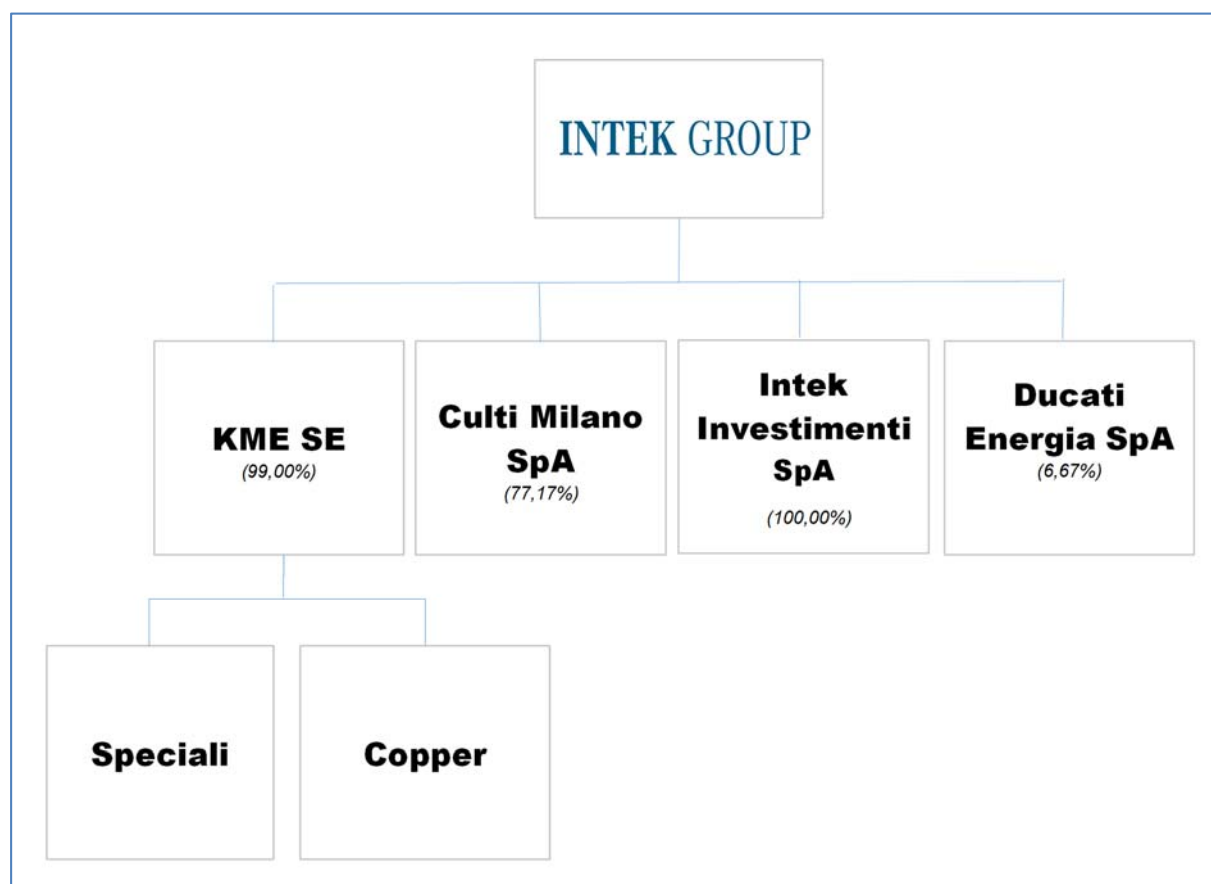
The following are currently under way:

- the issue and assignment of free warrants to all shareholders (ordinary and savings) with an exercise price of Euro 0.40;
- the Public Exchange Offer on Intek Savings Shares, with the consideration of a 2020-2025 Intek Group bond with a nominal value of Euro 21.60 for every 43 savings shares.

These transactions were deferred pending the publication of the financial statement data and are expected to be completed by the end of July.

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## Summary of the Group's corporate structure as at 31 December 2020



Intek Group holds the following primary shareholdings as at 31 December 2020:

- *KME SE*: head of a leading global group in the production and marketing of semi-finished copper and copper-alloy products, operating in two separate business segments: Special and Copper;
- *Culti Milano SpA*: listed on the AIM market, increasingly geared towards personal well-being, aside from the consolidation of its traditional business in the environmental fragrance segment;
- *Intek Investimenti SpA*: this is the corporate vehicle in which investment and private equity activities of the Intek Group are now concentrated, also with a focus on the topics of sustainability;
- *Ducati Energia SpA*: this is a non-controlling equity investment of Intek Group (6.67% of the share capital through all special shares) active in various, appealing business segments (condensers, industrial power factor correction, railway signalling, measurement tools, sustainable mobility, Intelligent Transportation Systems).

Compared to the situation as at 31 December 2019, the process of streamlining the Group corporate structure continued through the transactions described below:

- Disposal of equity investment in Ducati Energia SpA by Immobiliare Pictea Srl to Intek Group;
- Transfer to KME SE of the entire equity investment in Immobiliare Pictea Srl;
- Transfer to Intek Investimenti SpA of the equity investment in Isno 3 Srl in liquidazione;

- Liquidation, closed on 31 March 2021, of I2 Capital Partners SGR SpA, a company that operated in the management of mutual investment funds.

The disposal of the equity investment in Ducati Energia by Immobiliare Picta to Intek Group and the transfer of Immobiliare Picta to KME SE are part of a broader project for the concentration of the real estate portfolio held in Italy by Intek and its subsidiaries. Also as part of this project, in April 2021 the shareholders' meetings of Immobiliare Picta and KME Italy SpA approved the plan for the partial demerger of the real estate assets not strictly for business use with respect to the core business of KME Italy to Immobiliare Picta. The demerger, with KME Italy's concentration purely in industrial activities relating to laminated copper products, may also be functional to business combinations with other industrial operators.

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## Intek Group SpA highlights

Intek Group's financial highlights as at 31 December 2020, compared to 31 December 2019, can be summarised as follows:

<i>(in thousands of Euro)</i>	<i>31 Dec 2020</i>		<i>31 Dec 2019</i>	
<i>Copper</i>	514,082	90.14%	494,434	86.69%
<i>Culti</i>	27,309	4.79%	13,646	2.39%
<i>Ducati Energia</i>	16,013	2.81%	16,000	2.81%
<i>Intek Investimenti</i>	10,241	1.80%	9,005	1.58%
<i>Immobiliare Picta</i>	-	0.00%	16,741	2.94%
<i>I2 Capital Partners SGR in liquidazione</i>	(104)	-0.02%	32	0.01%
<i>Other investments</i>	2,165	0.38%	2,752	0.48%
<i>Other assets/liabilities</i>	634	0.11%	313	0.05%
<b>Net investments</b>	<b>570,340</b>	<b>100.00%</b>	<b>552,923</b>	<b>100.00%</b>
<i>Outstanding bonds (*)</i>	(78,288)		(106,000)	
<i>Net cash from third parties</i>	15,128		53,914	
<b>Net financial debt of the holding company to third parties</b>	<b>(63,160)</b>	<b>-11.07%</b>	<b>(52,086)</b>	<b>-9.42%</b>
<b>Total equity</b>	<b>507,180</b>	<b>88.93%</b>	<b>500,837</b>	<b>90.58%</b>

Notes:

- For improved comparability, the data relating to 2019 have been restated in order to better understand the effect of the disposal of Ducati Energia by Immobiliare Picta to Intek Group and the transfer of Isno 3 to Intek Investimenti.
- In the table, investments are showed net of any financial receivable/payable transactions outstanding with the Intek Group.

(\*) including accruing interests.

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## Investments

The Net investments held by the Company amounted to Euro 570.3 million as at 31 December 2020 (Euro 552.9 million at the end of 2019), of which around 90% concentrated in KME SE.

The increase in the investment in KME SE is linked to the transfer of Immobiliare Picta (Euro 19.7 million).

Culti Milano was up due to the effects of the positive valuation linked to result trends.

## Equity

The holding company's equity amounted to Euro 507.2 million, compared to Euro 500.8 million as at 31 December 2019; the change, net of the buyback of treasury shares for Euro 0.2 million, was caused solely by the result for the year.

Equity per share was Euro 1.17 (1.15 at the end of December 2019).

## Financial management

Net financial debt of the holding company to third parties (excluding intra-group loans and leasing liabilities) totalled Euro 63.2 million as at 31 December 2020. The balance as at 31 December 2019 was Euro 52.1 million.

At the end of December 2020, Intek Group had cash and cash equivalents of Euro 15.3 million.

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## Extraordinary finance transactions

In the course of 2020 and the early months of 2021, Intek Group was involved in three related extraordinary finance transactions, two of which are still being carried out.

These include:

- the issue of the “*Intek Group S.p.A. 2020-2025*” bond in February 2020;
- the voluntary total public exchange offer on Intek Group SpA savings shares;
- the issue and assignment of warrants.

The “*Intek Group S.p.A. 2020-2025*” bond was issued through a voluntary partial public exchange offer on 2,354,253 bonds resulting from the “*Intek Group S.p.A. 2015-2020*” bond issue and a public subscription offer. For the two offers, requests amounted to Euro 92.6 million, against Euro 75.9 million offered. The financial resources from the Subscription Offer, together with those from the loan obtained from a credit institution for Euro 25.0 million and with the financial resources already held by Intek, allowed for the redemption of the 2015-2020 Bonds, maturing on 20 February 2020 and not used to participate in the Exchange Offer on Bonds. The “*Intek Group S.p.A. 2020-2025*” bond has characteristics similar to the previous “*Intek Group S.p.A. 2015-2020*” bond, except that the interest rate is 4.5% rather than 5%.

This transaction made it possible to improve the configuration of Intek’s debt by extending its maturity and reducing its cost.

When the issue of the Bond was announced to the market, on 3 December 2019 the promotion of a voluntary total public exchange offer on the Savings Shares was also announced (the “**Exchange Offer on Savings Shares**” or the “**Offer**”), with consideration represented by 1 2020-2025 Bond, with a unit nominal value of Euro 21.60, for every 43 Savings Shares contributed, acquired for a total nominal value of up to roughly Euro 25.2 million. The Exchange Offer on Savings Shares was subject, first of all, to the issue as part of the two offers mentioned above of the 2020-2025 Bonds for a total amount of at least Euro 60.0 million and, in the second place, to the non-occurrence of the events pursuant to the MAC condition and the approval of the transaction by the Intek ordinary and extraordinary shareholders' meetings.

The Offer, launched on 25 February 2020, was deferred twice as a result of Covid-19.

The issue and assignment of Warrants to shareholders was approved by the extraordinary shareholders' meeting on 30 November 2020, following the proposal by the Board of Directors according to a ratio that may vary from a minimum of 0.4 to a maximum of 0.6 warrants for every ordinary share and/or savings share held, along with the correlated share capital increase up to a maximum of roughly Euro 105 million. The assignment ratio will be established, prior to the assignment of the warrants, by the Board of Directors, which will also determine the end date of the exercise period, which will be sometime between 30 March 2023 and 28 June 2024. In the case of the full exercise of the warrants assigned to shareholders, the share capital may increase to an extent of between Euro 69 million and Euro 105 million, depending on the warrant assignment ratio.

The same extraordinary shareholders' meeting of 30 November also approved an increase in the share capital in connection with the warrants to be assigned to the management, to the maximum extent of roughly Euro 10 million. The share capital increase for the management warrants is in any event subject to the approval by the next shareholders' meeting, which will need to approve, as regards the Remuneration Policy, an incentive plan set up for this purpose by the Board of Directors.

The Company will resume the Exchange Offer on Savings Shares and warrant issue authorisation procedures immediately after the publication of the financial statement data for the year 2020 and believes, if the necessary authorisations are obtained from the competent authorities, that it will be possible to complete both transactions by the end of July 2021.

In this regard, today the Board of Directors:

- convened the ordinary and extraordinary shareholders' meetings to renew the resolutions linked to the offer;
- assigned a mandate to the Chairman and, separately, to each Deputy Chairman, to extend the resolution for the issue of the Bond, currently planned for 30 June 2021;
- decided to be reconvened by no later than 7 May to resolve on the Public Exchange Offer, the warrant assignment ratio and the final date for the exercise of the warrants.

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## **Covid-19**

The Covid-19 pandemic profoundly changed economic outlooks for 2020 and the years to come. Although at the end of 2019 signs of stabilisation were being seen in the international economy, the spread of the Covid-19 pandemic radically changed the general scenario and the rapidity of the economic recovery will depend on the actual duration of the health emergency and the capacity of governments to respond on a global scale.

Within this environment, Intek Group, as a holding company, suffered limited direct effects of this epidemiological emergency. The lockdown measures introduced to limit the effects of contagion did not stop company activities, which were carried out remotely, with immediate recourse to smart working arrangements. Starting from mid-May 2020, the Foro Buonaparte office was reopened in compliance with Government regulations, while several resources in any event continued to work remotely, and dedicated protocols and the necessary protections were adopted to guarantee employee and worker safety, such as periodic sanitisation of the offices. Intek did not make use of any type of social shock absorber made available by the Authorities in response to the Covid-19 emergency.

There were no particular effects in terms of operating costs as a result of the Covid-19 pandemic and none are expected in the coming years.

As regards the equity investments, including KME SE and Culti Milano, the climate of uncertainty ensuing from the spread of the pandemic provoked an inevitable slowdown in the implementation of investment and disinvestment strategies. However, the Group did not suspend its reinforcement of the investee companies and its search for opportunities to invest and create value for its shareholders.

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## Main Intek Group subsidiaries

### *KME SE*

The investment in the Copper sector includes the production and marketing of copper and copper-alloy semi-finished products by the German subsidiary **KME SE**, and, as indicated above, for years now has been the Intek Group's core business.

<i>(in thousands of Euro)</i>	<i>31 Dec 2020</i>	<i>31 Dec 2019</i>
KME SE investment	512,707	483,000
KME Beteiligungsgesellsch. mbH investment	1,400	1,158
Other	(25)	10,276
<b>Total KME SE</b>	<b>514,082</b>	<b>494,434</b>

The increase in the value of this equity investment is due to the transfer of Immobiliare Pictea and receivables for a total of Euro 29.7 million at the end of December.

The Group which KME SE belongs to is one of the main global operators in the transformation and marketing of copper and it is characterised by a vast range of copper and copper-alloy products as well as a particularly articulated and complex global production and organisational structure.

KME SE is present in the market through two distinct businesses: the “*Special*” division and the “*Copper*” division.

As of 1 July 2020, the two businesses mentioned above were legally separated within the company KME Germany GmbH & Co. KG. The two businesses are now part of KME Special Products GmbH & Co. KG and KME Germany GmbH (both direct subsidiaries of KME SE).

The legal separation of the two businesses will allow for improved operations management and increase the management's focus, in addition to making it possible to pursue individual enhancement paths and differentiated strategic solutions.

At the moment, the Group is committed to a range of transactions involving both the creation and the consolidation of several businesses in the copper sector, which for a few years now has been involved in a process of streamlining of the various markets by major global players. In this context, KME has carried out both sale and purchase transactions, such as in the case of MKM - operating in the *Copper* business, acquired in 2019. KME Italy recently launched a project with Eredi Gnutti, for the unification of the respective businesses in the laminates sector, to favour significant operational and market streamlining.

The economic performance for the year was penalised by the climate of uncertainty triggered by the Covid-19 pandemic, especially in the second part of the year. However, starting from the final quarter of 2020, a strong recovery in orders was seen, which continued in the first part of 2021 and allowed for a positive reversal of the sales trend in the early months of 2021.

**Consolidated revenues** in 2020 totalled Euro 1,882.2 million, down 16.4% compared to 2019, equal to Euro 2,252.5 million, which included Euro 87.0 million from Tréfinmetaux, subsequently consolidated in the second half of 2019. The decline in business, measured in tonnes of product sold, instead came to around 7%. Net of the value of raw materials, revenue was down from Euro 531.9 million to Euro 471.8 million, marking a reduction of 11.3%. On a current basis, the reduction was instead 8.6%.

Gross operating income (**EBITDA**) in 2020 was Euro 75.1 million; 13.2% lower than the figure for 2019 when EBITDA stood at Euro 86.5 million. On a current basis, the reduction was instead 11.4%.

Net operating income (**EBIT**) stood at Euro 31.2 million (Euro 45.2 million in 2019).

The **Net Financial Position** as at 31 December 2020 was negative to the tune of Euro 270.7 million, compared to Euro 237.1 million last year. The increase was primarily due to the price of metal and the change in financial instruments measured at fair value.

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### ***Culti Milano SpA***

Intek holds 77.17% of the share capital of Culti Milano SpA, a company whose shares have been traded on the AIM Italia market managed by Borsa Italiana since July 2017. The equity investment has not changed compared to last year.

<i>(in thousands of Euro)</i>	<i>31 Dec 2020</i>	<i>31 Dec 2019</i>
Equity investment Culti Milano SpA	27,300	13,236
Warrant Culti Milano SpA	-	379
Other	9	31
<b>Total Culti</b>	<b>27,309</b>	<b>13,646</b>

The value of the equity investment increased due to the effects of the measurement at fair value, which was carried out using the multiples methodology, benefiting from the company's performance, particularly the significant increase in EBITDA recorded in 2020. Given the continuing limitation of trades, characterising the entire AIM market, the prices reported have once again not been deemed representative of the company's fair value.

The business of Culti Milano, which traditionally operated at domestic and international level in the manufacture and distribution of high-end environmental fragrances, a specific luxury market segment, has recently extended to the perfumes and cosmetics sector, evolving from a fragrance company to a personal well-being business: from fragrance for spaces (home, car, boat, etc.) to personal products (perfume, personal hygiene, cosmetics).

From this perspective, the controlling holding of Bakel Srl, a company whose business focuses on cosmetics products made from natural active ingredients, and Scent Company Srl, a company active in olfactory branding, were acquired.

The Group - consisting of Culti Milano, Bakel and Scent Company - recorded pro-forma consolidated turnover values in 2020 of Euro 15.3 million and EBITDA of Euro 3.6 million, compared to Euro 14 million and Euro 1.8 million, respectively, in 2019.

The significant commercial increase in the companies already within the scope as at 31 December 2019, along with the external growth linked to the acquisition of Scent Company, caused a considerable increase in the Group's profitability, with an improvement of 106% in pro-forma EBITDA on a like-for-like basis (Culti Milano and Bakel 2019 compared to 2020) and constant cash generation in 2020.

Despite the global pandemic situation and the uncertainty in the majority of the markets in which the Culti Group companies operate, 2020 confirmed that the strategic process that started in prior years is coming to fruition.

Culti Milano continued to grow in its reference markets, with particular repercussions both in Italy and in the various Asian countries.

Despite its primary presence in the Italian market, and therefore the significant difficulties encountered due to the extended closure of points of sale in the sector, Bakel responded by repositioning its product in alternative channels, while safeguarding the brand's positioning and profitability.

For the newly acquired Scent Company, commercial results were even more extraordinary, as the majority of the deal flow comes from hotels and retail spaces, both in Italy and worldwide. The enormous commercial capacity and flexibility in adapting to market requirements make Scent Company an example of how commercial rigour also pays from the income perspective.

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## Intek Group Consolidated Financial Statements

### Group results

It should be noted that, following the application of the accounting standard on investment entities that occurred at the end of 2014 and the corporate simplification process, the values of the consolidated financial statements, which exclude non-instrumental investments from the scope of consolidation, are very similar to those of the separate financial statements.

In particular, as at 31 December 2020 equity in the consolidated financial statements (Euro 507.2 million) coincides with that in the separate financial statements. The result of the consolidated financial statements (profit of Euro 4.5 million) was instead influenced by the higher carrying amount of the equity investment in Immobiliare Pictea compared to that in the separate financial statements.

The consolidated financial statements include, in addition to the Parent Company, the 100%-owned instrumental subsidiaries I2 Capital Partners SGR and Immobiliare Pictea, the latter only at income statement level following its transfer to KME SE in late December 2020.

The **Consolidated net invested capital** was as follows:

<b>Consolidated net invested capital</b>		
<i>(in thousands of Euro)</i>	<i>31 Dec 2020</i>	<i>31 Dec 2019</i>
Net non-current assets	571,521	554,061
Net working capital	1,771	11,130
Net deferred tax	940	1,587
Provisions	(659)	(930)
<b>Net invested capital</b>	<b>573,573</b>	<b>565,848</b>
Total equity	507,180	502,635
Net financial position	66,393	63,213
<b>Sources of finance</b>	<b>573,573</b>	<b>565,848</b>

*“Net invested capital” is a financial indicator which is not defined by IFRS and should not be considered as an alternative to the indicators defined by IFRS. Its components are given here below:*

- *“Net non-current assets” consist of the sum of non-current assets except for deferred tax assets.*
- *“Net working capital” consists of the sum of the items “Trade receivables” net of “Trade payables” and “Other current assets/liabilities”, except for the items considered in the definition of “Net financial debt”.*
- *“Provisions” include the items “Employee benefits” and “Provisions for risks and charges”.*

The **Reclassified consolidated net financial position** is as follows:

<b>Reclassified consolidated net financial position</b>		
<i>(in thousands of Euro)</i>	<i>31 Dec 2020</i>	<i>31 Dec 2019</i>
Short-term financial payables	3,851	111,971
Medium to long-term financial payables	85	4,996
Financial payables to Group companies	3,353	3,232
<b>(A) Financial payables</b>	<b>(A) 7,289</b>	<b>120,199</b>
Cash and cash equivalents	(15,415)	(44,904)
Other financial assets	(292)	(9,661)
Financial receivables from Group companies	(521)	(2,421)
<b>(B) Cash and current financial assets</b>	<b>(B) (16,228)</b>	<b>(56,986)</b>
<b>(C) Consolidated net financial position (net of outstanding securities)</b>	<b>(A) + (B) (8,939)</b>	<b>63,213</b>
<b>(D) Outstanding debt securities (net of interest)</b>	<b>75,332</b>	<b>-</b>
<b>(E) Consolidated net financial position</b>	<b>(C) + (D) 66,393</b>	<b>63,213</b>
<b>(F) Non-current financial assets</b>	<b>-</b>	<b>(2,664)</b>
<b>(G) Reclassified net financial position</b>	<b>(E) + (F) 66,393</b>	<b>60,549</b>

(E) Defined as per CONSOB communication DEM/6064293 of 28 July 2006 enforcing the CESR recommendations of 10 February 2005.

The **Consolidated income statement** is the following:

<b>Consolidated income statement</b>		
<i>(in thousands of Euro)</i>	2020	2019
Net income/(expenses) from investment management	14,750	8,388
Guarantee fees	876	962
Other income	772	3,732
Labour costs	(1,968)	(1,880)
Amortisation, depreciation, <i>impairment</i> and write-downs	(803)	(1,279)
Other operating costs	(4,756)	(7,936)
<b>Operating profit/(loss)</b>	<b>8,871</b>	<b>1,987</b>
Finance income	379	920
Finance expense	(4,637)	(5,885)
<i>Net finance expense</i>	<i>(4,258)</i>	<i>(4,965)</i>
<b>Profit/(loss) before taxes</b>	<b>4,613</b>	<b>(2,978)</b>
Current taxes	475	977
Deferred taxes	(565)	133
<b>Total income taxes</b>	<b>(90)</b>	<b>1,110</b>
<b>Profit/(loss) for the period</b>	<b>4,523</b>	<b>(1,868)</b>

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### **Notice of Ordinary and Extraordinary Shareholders' Meeting**

The Board of Directors decided to convene the Ordinary and Extraordinary Shareholders' Meeting for 7 June on first call and 8 June on second call.

The Shareholders' Meeting will be asked to decide on:

- the financial statements for the year 2020 and the allocation of the profit for the year;
- the remuneration policy and the remuneration report pursuant to article 123-ter of the TUF;
- the appointment of the Board of Directors and the Board of Statutory Auditors;
- the authorisation to purchase and dispose of ordinary and/or savings shares;
- the extension of the terms relating to the Public Exchange Offer on Treasury Savings Shares.

It was also decided to convene the Special Meeting of Holders of Savings Shares for 4, 7 and 8 June respectively on first, second and third call, which will need to appoint the Common Representative of Savings Shareholders.

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### **Buyback and disposals of Company shares**

The Board of Directors decided to once again seek authorisation from shareholders to buyback and dispose of ordinary and/or savings shares in Intek Group SpA pursuant to the combined provisions

of articles 2357 and 2357 ter of the Italian Civil Code and articles 125-ter and 132 of Italian Legislative Decree 58/98, as well as the provisions of Regulation (EU) no. 596/2014 of 16 April 2014 on market abuse (known as “MAR”), revoking first the resolution taken on 30 June 2020 for the part not yet completed.

The proposal is intended to maintain an effective operating instrument for all purposes allowed under applicable laws.

The authorisation to buyback Intek Group SpA ordinary and/or savings shares would last for 18 months and be subject to the maximum limit as provided in applicable laws enacted from time to time (currently, said limit is 20% of the share capital pursuant to article 2357, paragraph 3 of the Italian Civil Code), and in any case to the extent of available profit reported in the most recent approved financial statements (including interim financial statements) at the date of the transaction.

The authorisation to dispose of Intek Group SpA ordinary and/or savings shares would last for 18 months.

The maximum financial commitment is expected to amount to Euro 5 million.

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### **Verification of independence requirements of Non-executive directors and the Board of Statutory Auditors**

In compliance with the provisions of the new Corporate Governance Code in force as of 1 January 2021, the Board of Directors evaluated, in application of the principles and recommendations set forth in article 2 of the Code, the independence of the non-executive directors and members of the control body, confirming the fulfilment of the independence requirements by the directors Giuseppe Lignana, Francesca Marchetti and Luca Ricciardi and all members of the Board of Statutory Auditors.

The assessment was based on the information received from the Directors and Statutory Auditors in accordance with article 148, paragraph 3 of Italian Legislative Decree 58/98 and the criteria provided in article 2, recommendations 7 and 9 of the Corporate Governance Code.

The Company did not use parameters nor quantitative and/or qualitative criteria other than the above.

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*The Manager in charge of Financial Reporting, Giuseppe Mazza, hereby declares that, pursuant to article 154-bis, paragraph 2 of the Consolidated Law on Finance (Italian Legislative Decree no. 58/1998), the accounting information contained in this press release, corresponds to the company's documents, books, and accounting records.*

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*The press release is available on the website [www.itkgroup.it](http://www.itkgroup.it), where it is possible to request information directly from the Company (phone: 02-806291; e-mail: [info@itk.it](mailto:info@itk.it)) and on the “eMarket STORAGE” system operated by Spafid Connect SpA at [www.emarketstorage.com](http://www.emarketstorage.com).*

Milan, 26 April 2021

The Board of Directors

Annexes:

- 1) Intek Group SpA Statement of Financial Position
- 2) Intek Group SpA Income Statement
- 3) Intek Group SpA Statement of Cash Flows
- 4) Consolidated Statement of Financial Position
- 5) Consolidated Income Statement
- 6) Consolidated Statement of Cash Flows

## Annex 1) Intek Group – Separate financial statements as at 31 December 2020

### Statement of financial position – Assets

<i>(in Euro)</i>	<i>Ref. Note</i>	<i>31-Dec-20</i>		<i>31-Dec-19</i>	
			<i>of which related parties</i>		<i>of which related parties</i>
Investments in equity interests and fund units	4.1	567,445,546	551,198,346	507,828,539	507,607,555
Instrumental equity investments	4.2	767,723	767,723	25,189,005	25,189,005
Non-current financial assets	4.3	134,058	134,058	425,646	425,646
Property, plant and equipment	4.4	3,877,831	-	4,389,404	-
Investment property	4.5	140,104	-	462,039	-
Goodwill	4.6	-	-	-	-
Intangible assets	4.6	6,637	-	7,835	-
Other non-current assets	4.7	2,961	-	2,961	-
Deferred tax assets	4.21	3,037,123	-	3,625,917	-
<b>Total non-current assets</b>		<b>575,411,983</b>		<b>541,931,346</b>	
Current financial assets	4.8	26,480,275	1,371,317	21,366,053	11,704,679
Trade receivables	4.9	4,534,501	916,823	13,483,467	9,318,713
Other current receivables and assets	4.10	4,083,033	1,144,943	4,200,221	1,368,474
Cash and cash equivalents	4.11	15,286,154	-	44,639,026	-
<b>Total current assets</b>		<b>50,383,963</b>		<b>83,688,767</b>	
<b>Total assets</b>		<b>625,795,946</b>		<b>625,620,113</b>	

*Note The auditing of the financial statements has not yet been completed*

## Intek Group – Separate financial statements as at 31 December 2020

### Statement of financial position – Liabilities

<i>(in Euro)</i>	<i>Ref. Note</i>	<i>31-Dec-20</i>		<i>31-Dec-19</i>	
			<i>of which related parties</i>		<i>of which related parties</i>
Share capital		335,069,010	-	335,069,010	-
Other reserves		94,389,655	-	95,436,752	-
Treasury shares		(2,011,911)	-	(1,819,672)	-
Retained earnings/(accumulated losses)		71,141,883	-	71,141,883	-
Stock option reserve		2,051,902	-	2,051,902	-
Profit/(loss) for the year		6,539,266	-	(1,042,793)	-
<b>Total equity</b>	<i>4.12</i>	<b>507,179,805</b>		<b>500,837,082</b>	
Employee benefits	<i>4.13</i>	232,466	-	230,495	-
Deferred tax liabilities	<i>4.21</i>	2,097,269	-	1,974,953	-
Non-current financial payables and liabilities	<i>4.14</i>	3,099,170	<i>2,911,140</i>	3,870,037	<i>3,345,957</i>
Bonds	<i>4.15</i>	75,331,877	-	-	-
Other non-current liabilities	<i>4.16</i>	721,536	-	1,014,443	-
Provisions for risks and charges	<i>4.17</i>	290,937	-	526,278	-
<b>Total non-current liabilities</b>		<b>81,773,255</b>		<b>7,616,206</b>	
Current financial payables and liabilities	<i>4.18</i>	30,816,705	<i>1,682,359</i>	111,739,022	<i>4,673,843</i>
Trade payables	<i>4.19</i>	1,866,358	<i>547,408</i>	1,199,013	<i>218,706</i>
Other current liabilities	<i>4.20</i>	4,159,823	<i>1,642,466</i>	4,228,790	<i>1,930,174</i>
<b>Total current liabilities</b>		<b>36,842,886</b>		<b>117,166,825</b>	
<b>Total liabilities and equity</b>		<b>625,795,946</b>		<b>625,620,113</b>	

*Note The auditing of the financial statements has not yet been completed*

## Annex 2) Intek Group – Separate financial statements as at 31 December 2020

### Statement of profit or loss and other comprehensive income

(in Euro)	Ref. Note	2020	2019		
		<i>of which related parties</i>	<i>of which related parties</i>		
Net income from investment management	6.1	14,508,586	14,508,586	6,605,635	6,386,309
Guarantee fees	6.2	875,883	875,883	962,250	962,250
Other income	6.3	779,976	168,513	3,352,287	2,423,679
Labour costs	6.4	(1,517,510)	-	(1,458,797)	-
Amortisation, depreciation, <i>impairment</i> and write-downs	6.5	(660,728)	-	(647,557)	-
Other operating costs	6.6	(3,755,562)	(1,407,638)	(5,762,929)	(3,747,546)
<b>Operating profit/(loss)</b>		<b>10,230,645</b>		<b>3,050,889</b>	
Finance income	6.7	857,211	491,790	1,116,716	641,770
Finance expense	6.7	(4,546,060)	(230,527)	(5,874,935)	(317,283)
<i>Net finance expense</i>		(3,688,849)		(4,758,219)	
<b>Profit/(loss) before taxes</b>		<b>6,541,796</b>		<b>(1,707,330)</b>	
Current taxes	6.8	708,579	-	423,313	-
Deferred taxes	6.8	(711,109)	-	241,224	-
<b>Total income taxes</b>		<b>(2,530)</b>		<b>664,537</b>	
<b>Profit/(loss) from continuing operations</b>		<b>6,539,266</b>		<b>(1,042,793)</b>	
Profit/(loss) from discontinued operations		-		-	
<b>Net profit/(loss) for the year</b>		<b>6,539,266</b>		<b>(1,042,793)</b>	
Other comprehensive income:					
<i>Measurement of employee defined benefits</i>		(4,303)		(14,343)	
<i>Taxes on other comprehensive income</i>		-		-	
Items that will not be reclassified to profit or loss		(4,303)		(14,343)	
Items that may be reclassified to profit or loss		-		-	
Other comprehensive income:		(4,303)		(14,343)	
<b>Total comprehensive income for the year</b>		<b>6,534,963</b>		<b>(1,057,136)</b>	

Note The auditing of the financial statements has not yet been completed

## Annex 3) Intek Group – Separate financial statements as at 31 December 2020

### Statement of cash flows

<i>(in thousands of Euro)</i>	2020	2019
<b>(A) Cash and cash equivalents at the beginning of the year</b>	<b>44,639</b>	<b>51,902</b>
Profit/(loss) before taxes	6,542	(1,706)
Amortisation and depreciation	660	647
Impairment/(reversal of impairment) of current and non-current financial assets	(14,231)	(6,413)
Changes in pension funds, post-employment benefits (TFR) and stock options	(3)	(16)
Changes in provisions for risks and charges	(235)	(416)
(Increase)/decrease in equity investments	(7,271)	2,462
(Increase)/decrease in other financial investments	-	2,108
Increase/(decrease) in financial payables to related companies	253	(761)
(Increase)/decrease in financial receivables from related companies	(3,011)	(2,041)
Dividends received	6,000	260
(Increase)/decrease in current receivables	79	(1,943)
Increase/(decrease) in current payables	598	1,012
<b>(B) Total cash flows from/(used in) operating activities</b>	<b>(10,619)</b>	<b>(6,807)</b>
(Increase) in non-current intangible assets and property, plant and equipment	(155)	(252)
Decrease in non-current intangible assets and property, plant and equipment	329	319
Increase/decrease in other non-current assets/liabilities	(291)	(531)
<b>(C) Cash flows from/(used in) investing activities</b>	<b>(117)</b>	<b>(464)</b>
(Purchase) sale of treasury shares	(192)	-
Bond Repayment and New Issue	(27,712)	-
Payment of interests on Bonds	(5,085)	(5,085)
Increase/(decrease) in current and non-current financial payables	4,820	4,373
(Increase)/decrease in current and non-current financial receivables	9,552	720
<b>(D) Cash flows from/(used in) financing activities</b>	<b>(18,617)</b>	<b>8</b>
<b>(E) Change in cash and cash equivalents</b>	<b>(29,353)</b>	<b>(7,263)</b>
<b>(H) Cash and cash equivalents at the end of the period</b>	<b>(A) + (E)</b>	<b>15,286</b>
		<b>44,639</b>

*Note The auditing of the financial statements has not yet been completed*



## Annex 4) Intek Group – Consolidated financial statements as at 31 December 2020

### Statement of financial position – Assets

<i>(in thousands of Euro)</i>	<i>Ref. Note</i>	<i>31-Dec-20</i>		<i>31-Dec-19</i>	
			<i>of which related parties</i>		<i>of which related parties</i>
Investments in equity interests and fund units	4.1	567,446	551,199	524,418	508,027
Non-current financial assets	4.2	134	134	3,090	3,090
Property, plant and equipment	4.3	3,925	-	12,148	-
Investment property	4.4	140	-	14,817	-
Intangible assets	4.5	7	-	8	-
Other non-current assets	4.6	3	-	6	-
Deferred tax assets	4.20	3,037	-	5,081	-
<b>Total non-current assets</b>		<b>574,692</b>		<b>559,568</b>	
Current financial assets	4.7	26,480	1,371	13,013	3,352
Trade receivables	4.8	4,534	916	13,482	9,276
Other current receivables and assets	4.9	4,122	1,144	5,216	1,922
Cash and cash equivalents	4.10	15,415	-	44,904	-
<b>Total current assets</b>		<b>50,551</b>		<b>76,615</b>	
Non-current assets held for sale		-	-	-	-
<b>Total assets</b>		<b>625,243</b>		<b>636,183</b>	

*Note The auditing of the financial statements has not yet been completed*

## Intek Group – Consolidated financial statements as at 31 December 2020

### Statement of financial position – Liabilities

<i>(in thousands of Euro)</i>	<i>Ref. Note</i>	<i>31-Dec-20</i>	<i>31-Dec-19</i>		
			<i>of which related parties</i>	<i>of which related parties</i>	
Share capital		335,069		335,069	
Other reserves		98,469		100,336	
Treasury shares		(2,012)		(1,820)	
Retained earnings/(accumulated losses)		71,143		71,143	
Other comprehensive income reserve		(12)		(225)	
Profit/(loss) for the period		4,523		(1,868)	
<b>Equity attributable to owners of the Parent</b>	<b>4.11</b>	<b>507,180</b>		<b>502,635</b>	
Non-controlling interests		-		-	
<b>Total equity</b>	<b>4.11</b>	<b>507,180</b>		<b>502,635</b>	
Employee benefits	4.12	368	-	354	-
Deferred tax liabilities	4.20	2,097	-	3,494	-
Non-current financial payables and liabilities	4.13	3,130	-	5,422	-
Bonds	4.14	75,332	-	-	-
Other non-current liabilities	4.15	722	-	1,801	-
Provisions for risks and charges	4.16	291	-	576	-
<b>Total non-current liabilities</b>		<b>81,940</b>		<b>11,647</b>	
Current financial payables and liabilities	4.17	29,960	815	116,134	3,232
Trade payables	4.18	1,905	560	1,399	219
Other current liabilities	4.19	4,258	1,642	4,368	1,930
<b>Total current liabilities</b>		<b>36,123</b>		<b>121,901</b>	
<b>Total liabilities and equity</b>		<b>625,243</b>		<b>636,183</b>	

*Note The auditing of the financial statements has not yet been completed*

## Annex 5) Intek Group – Consolidated financial statements as at 31 December 2020

### Statement of profit or loss and other comprehensive income

<i>(in thousands of Euro)</i>	<i>Ref. Note</i>	2020	<i>of which related parties</i>	2019	<i>of which related parties</i>
Net income from investment management	5.1	14,750	-	8,388	-
Guarantee fees	5.2	876	876	962	962
Other income	5.3	772	94	3,732	2,334
Labour costs	5.4	(1,968)	-	(1,880)	-
Amortisation, depreciation, <i>impairment</i> and write-downs	5.5	(803)	-	(1,279)	-
Other operating costs	5.6	(4,756)	(1,239)	(7,936)	(3,314)
<b>Operating profit/(loss)</b>		<b>8,871</b>		<b>1,987</b>	
Finance income		379	269	920	445
Finance expense		(4,637)	(43)	(5,885)	(108)
<i>Net finance expense</i>	5.7	(4,258)		(4,965)	
<b>Profit/(loss) before taxes</b>		<b>4,613</b>		<b>(2,978)</b>	
Current taxes	5.8	475		977	
Deferred taxes	5.8	(565)		133	
<b>Total income taxes</b>		<b>(90)</b>		<b>1,110</b>	
<b>Net profit/(loss) for the year</b>		<b>4,523</b>		<b>(1,868)</b>	
Other comprehensive income:					
<i>Measurement of employee defined benefits</i>		(6)		(15)	
Items that will not be reclassified to profit or loss		(6)		(15)	
<i>Net change in cash flow hedge reserve</i>		(31)		(103)	
<i>Other</i>		-		-	
<i>Taxes on other comprehensive income</i>		7		25	
Items that may be reclassified to profit or loss		(24)		(78)	
Other comprehensive income, net of tax effect:		(30)		(93)	
<b>Total comprehensive income for the year</b>		<b>4,493</b>		<b>(1,961)</b>	
Profit/(loss) for the period attributable to:					
- non-controlling interests		-		-	
- owners of the Parent		4,523		(1,868)	
Profit/(loss) for the period		4,523		(1,868)	
Total comprehensive income attributable to:					
- non-controlling interests		-		-	
- owners of the Parent		4,493		(1,961)	
Total comprehensive income for the period		4,493		(1,961)	
<b>Earnings per share (in Euro)</b>					
Basic earnings/(loss) per share		0.0021		(0.0043)	
Diluted earnings/(loss) per share		0.0021		(0.0043)	

*Note The auditing of the financial statements has not yet been completed*

## Annex 6) Intek Group – Consolidated financial statements as at 31 December 2020

### Statement of cash flows

<i>(in thousands of Euro)</i>	2020	2019
<b>(A) Cash and cash equivalents at the beginning of the year</b>	<b>44,904</b>	<b>52,556</b>
Profit/(loss) before taxes	4,613	(2,978)
Amortisation and depreciation	579	559
Impairment/(reversal of impairment) of non-current assets other than financial assets	693	720
Impairment/(reversal of impairment) of investments and financial assets	(13,163)	(8,115)
Changes in pension funds, post-employment benefits (TFR) and stock options	8	(4)
Changes in provisions for risks and charges	(235)	(466)
(Increase)/decrease in investments	(1,987)	2,019
(Increase)/decrease in financial investments and financial assets	-	2,368
Increase/(decrease) in current and non-current financial payables to related companies	(3,232)	(474)
(Increase)/decrease in current and non-current financial receivables from related companies	1,900	(473)
Dividends received	-	337
(Increase)/decrease in current receivables	127	(1,393)
Increase/(decrease) in current payables	547	958
<b>(B) Total cash flows from/(used in) operating activities</b>	<b>(10,150)</b>	<b>(6,942)</b>
(Increase) in non-current intangible assets and property, plant and equipment	(680)	(661)
Decrease in non-current intangible assets and property, plant and equipment	623	999
Increase/decrease in other non-current assets/liabilities	(450)	(537)
<b>(C) Cash flows from/(used in) investing activities</b>	<b>(507)</b>	<b>(199)</b>
(Purchase) sale of treasury shares and similar securities	(192)	-
Increase/(decrease) in current and non-current financial payables	(3,051)	(1,232)
(Increase)/decrease in current and non-current financial receivables	(15,448)	721
<b>(D) Cash flows from/(used in) financing activities</b>	<b>(18,691)</b>	<b>(511)</b>
<b>(E) Change in cash and cash equivalents</b>	<b>(B) + (C) + (D)</b>	<b>(29,348)</b>
<b>(F) Change in scope of consolidation</b>	<b>(141)</b>	<b>-</b>
<b>(G) Cash and cash equivalents at the end of the period</b>	<b>(A) + (E) + (F)</b>	<b>44,904</b>

Note The auditing of the financial statements has not yet been completed