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Share capital Euro 200,072,198.28, fully paid-up
Tax Code and Milan Companies Register no. 00931330583
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Communication pursuant to Article 102 of Italian Legislative Decree no. 58 as subsequently amended and Article 37 of the Regulation adopted by Consob with resolution no. 11971 of 14 May 1999 as subsequently amended and supplemented

LAUNCH BY KME GROUP S.P.A. OF:

- (I) A FULL VOLUNTARY PUBLIC TENDER OFFER CONCERNING KME GROUP S.P.A. ORDINARY SHARES;**
- (II) A FULL VOLUNTARY PUBLIC TENDER OFFER CONCERNING KME GROUP S.P.A. SAVINGS SHARES; AND**
- (III) A FULL VOLUNTARY PUBLIC TENDER OFFER CONCERNING “KME GROUP S.P.A. 2021 – 2024” WARRANTS**

Milan, 12 June 2023

Pursuant to and for the purposes of Article 102, paragraph 1, of Italian Legislative Decree no. 58, as subsequently amended (the “**TUF**”), as well as Article 37 of the Regulation adopted by the National Commission for Companies and the Stock Exchange (“**Consob**”) with resolution no. 11971 of 14 May 1999, as subsequently amended and supplemented (the “**Issuers' Regulation**”), KME Group S.p.A. (the “**Offeror**” or the “**Issuer**” or “**KME**” or the “**Company**”) hereby announces that it has today taken the decision to launch:

- (i) a full voluntary public tender offer concerning 154,432,623 ordinary KME shares (the “**Ordinary Shares**”), corresponding to all the Ordinary Shares outstanding, less the 145,778,198 Ordinary Shares held by the shareholder Quattrodue S.p.A. (“**Quattrodue**”) and the 6,937,311 Ordinary Treasury Shares held by the Company (the “**Treasury Shares**”), at a unit price of Euro 1.00 (the “**PTO Ordinary Share Price**”), for a maximum total of Euro 154,432,623.00; this may be increased by a further 78,635,148 Ordinary Shares possibly arising from the exercise of up to a maximum of 78,635,148 Warrants (as defined below) outstanding for an additional maximum of Euro 78,635,148.00, and, therefore, with a maximum total outlay of Euro 233,067,771.00 (the “**Ordinary Shares PTO**”). On completion of the Ordinary Shares PTO and depending on the subscriptions to the same, if the free float is not sufficient, there is no provision for reconstitution in an amount sufficient to ensure the regular trading of the Ordinary Shares;
- (ii) a full voluntary public tender offer concerning 13,822,473 KME savings shares (the “**Savings Shares**”), corresponding to all the Savings Shares outstanding, less the 1,424,032 Savings Shares held by the shareholder Quattrodue, at a unit price of Euro 1.08277 (ex dividend of Euro

0.217230; the “**PTO Savings Share Price**”¹, for a maximum total of Euro 14,966,559.09 (the “**Savings Shares PTO**”). On completion of the Savings Shares PTO and depending on the subscriptions to the same, if the free float is not sufficient, there is no provision for reconstitution in an amount sufficient to ensure the regular trading of the Savings Shares. In any case, the Company reserves the right to propose to its competent corporate bodies the mandatory conversion of Savings Shares into Ordinary Shares; and

- (iii) a full voluntary public tender offer concerning 78,635,148 “*KME Group S.p.A 2021-2024 Warrants*” (the “**Warrants**”), corresponding to all the Warrants outstanding, less 73,680,892 Warrants held by Quattrodue, at a unit price of Euro 0.60 (the “**Warrant PTO Price**”), for a total maximum of Euro 47,181,088.80 (the “**Warrant PTO**” and, together with the Ordinary Shares PTO and Savings Shares PTO, the “**Offers**” or the “**PTOs**”). On completion of the Warrant PTO and depending on the subscriptions to the same, if the free float is not sufficient, the Company hereby states that: (a) there is no provision for reconstitution in an amount sufficient to ensure the regular trading of the Warrants; and (b) in any case, it intends to launch subsequent to the Warrant PTO a voluntary public exchange offer on the Warrants that will still be in outstanding at the conclusion of the Warrant PTO (“**Warrant PEO**”), at a ratio of 1 Ordinary Share for every 2.3 Warrants subscribed.

The Ordinary Shares, the Savings Shares and the Warrants (collectively, the “**Financial Instruments**”) are admitted to trading on Euronext Milan, a regulated market organised and managed by Borsa Italiana S.p.A. (“**Borsa Italiana**”).

The Ordinary Shares PTO, the Savings Shares PTO and the Warrant PTO are each intended for all holders of Ordinary Shares, Savings Shares and Warrants, respectively, without differentiation and on equal terms.

The Offers are subject to the fulfilment of the MAC Condition, the Minimum Disbursement Condition and the Authorisation Condition (as defined below).

* * *

Pursuant to Article 102, paragraph 3, of the Consolidated Law on Finance, the Offeror will, in the manner and within the time frame set forth in the applicable regulations, send to Consob the offer document (the “**Offer Document**”) intended for publication, to which reference is made for a full description and evaluation of the Offers.

The legal conditions, the essential elements of the Offers and the purposes they aim to achieve are indicated below.

1. LEGAL CONDITIONS AND REASONS FOR THE OFFERS

1.1. LEGAL CONDITIONS OF THE OFFERS

The decision by the Offeror to launch the full voluntary Offers, in accordance with Article 102 of the Consolidated Law on Finance, is based on the agreements and events described below. With regard to the Ordinary Shares PTO, it should be noted that it is launched in full as KME has received the necessary consents from the lending banks pursuant to the existing loan agreements (the “**Waivers**”).

On 28 March 2023, the Issuer made a public announcement through a press release, stating that it had received a “*binding offer*” (the “**Binding Offer**”) from Lynstone SSF Holdings II S.à r.l. (“**Lynstone II**”). The purpose of this offer was to provide financing for a transaction (the “**Transaction**”) that includes, among other things, the launch of the Offers by KME. The overall objective of this project,

¹ On 3 May 2023, the KME Ordinary Shareholders' Meeting approved the proposal to distribute a dividend of Euro 0.217230 for each savings share, with payment starting from 24 May 2023, ex dividend no. 6 on 22 May 2023 and record date on 23 May 2023.

if certain conditions are met, is to seek the delisting of the Ordinary Shares, Savings Shares and Warrants from Euronext Milan (the “**Delisting**”).

During the meeting held on 28 March 2023, the Board of Directors of the Issuer made a resolution to accept the Binding Offer. This decision was based on the consideration of the terms and conditions of the Offers, as outlined in the Binding Offer and within the context of the Transaction. It was noted that these terms were significantly improved compared to the proposals previously disclosed by the Issuer in a press release on 28 February 2023 (to which reference should be made for further information). The key improvements include the following: (i) each Offer now includes a cash consideration; (ii) the option to divest is extended to shareholders holding Savings Shares and holders of Warrants; and (iii) concerning the Ordinary Shares, the consideration and the number of securities subject to the Offer are expected to increase compared to the aforementioned press release from 28 February 2023.

On 10 May 2023, the Issuer's Board of Directors approved the essential terms and conditions of the Transaction announced on 28 March 2023 and, in particular, the increase from Euro 1.20 (*cum dividend* of Euro 0.217230) to Euro 1.30 (*cum dividend* of Euro 0.217230) of the PTO Savings Share Price (as defined below) and the increase from Euro 0.45 to Euro 0.60 of the Warrant PTO Price (as defined below).

Furthermore, on 10 May 2023, the Issuer, Lynstone II, and the controlling shareholder of the Issuer, Quattrodedue S.p.A. (“**Quattrodedue**”), entered into an agreement entitled “*Investment Agreement*” (the “**Investment Agreement**”) for the purpose of establishing the relationship between KME and Lynstone II, with Quattrodedue also participating and undertaking specific commitments related to the Issuer. The Investment Agreement included significant shareholders' agreements, as stipulated in Article 122, paragraph 1, and paragraph 5, letters a), b), and d-*bis*) of the TUF (Consolidated Law on Finance). These agreements primarily focused on (i) the governance of KME and KMH S.p.A. (a company wholly owned by KME and hereinafter referred to as “**KMH**”), and its subsidiaries, and (ii) the transfer of equity investments held by the companies within the group led by KME (the “**Group**” or the “**KME Group**”).

On 12 May 2023, as a consequence of Lynstone II's exercise of the right to appoint according to the Investment Agreement, Lynstone SSF E Holdings II S.à.r.l. (“**Lynstone SSF**”) assumed certain rights and obligations that were initially undertaken by Lynstone II, in accordance with Article 1401 et seq. of the Italian Civil Code. For further information on the shareholders' agreements contained in the Investment Agreement, please refer to the information published, pursuant to Articles 122 of the Consolidated Law on Finance and 130 of the Issuers' Regulation, on the Issuer's website (www.itkgroup.it).

JP Morgan Asset Management (UK) Limited serves as the portfolio manager for the investment fund that holds Lynstone II and Lynstone SSF.

Taking into account that the Transaction is characterised by an overall coherence and is developed in an interconnected series of components, which are mutually dependent, and that the contractual structure also provides for the involvement of the Issuer's controlling shareholder Quattrodedue, the Company has prudently followed the procedures outlined in Consob Regulation 17221/2010 (the “**RPT Regulation**”), as well as the “*Procedure on Related Party Transactions*” adopted by KME (the “**RPT Procedure**”). Therefore, the resolutions of the Board of Directors of 10 May 2023 were made subject to the favourable binding opinion given by the Independent Directors of KME in their capacity as Related Party Transactions Committee (the “**RPT Committee**”). In particular, the RPT Committee, with the support of Prof. Maurizio Dallochio, partner of DGPA & Co. S.p.A., as independent financial advisor of the RPT Committee (the “**Expert**”), carried out its own evaluations not only on the Issuer's interest in the completion of the Transaction as a whole and on its substantial

fairness and appropriateness, but also on the fairness of the consideration of each Offer. The Transaction was classified as a transaction of “greater significance” pursuant to Article 8 of the RPT Regulation and Article 11 of the RPT Procedure and the elements of correlation, as identified by the RPT Committee, are linked to Quattrodue's involvement in the Transaction, in relation to certain specific commitments undertaken by the same in favour of KME, Lynstone II and Lynstone SSF, as well as KMH (a wholly-owned subsidiary of KME).

For more information, please refer to the information document relating to the Transaction, prepared pursuant to Article 5 and in compliance with the format set forth in Annex 4 of the Consob Regulation, as well as the RPT Procedure, made available to the public, together with the opinion of the RPT Committee and the fairness opinion of the Expert, on the website of the Issuer (www.itkgroup.it) (the “**RPT Information Document**”).

1.2. REASONS FOR THE OFFERS

The Offers are part of a project that aims to achieve the Delisting, subject to meeting the necessary requirements. The Company considers the Delisting as a means to achieve the following objectives: (i) concentrating its activities in the industrial management of the KME Group specifically concerning copper and copper-alloy laminate products, (ii) effectively implementing any reorganisation opportunities within the KME Group, aimed at further strengthening it, which can be more easily pursued as an unlisted entity, (iii) providing the Company with greater flexibility to pursue its strategy of enhancing its competitive positioning in the relevant markets and consolidating its global leadership in the production and marketing of copper semi-finished products, including through external growth opportunities, considering that the current market listing fails to adequately reflect the value of the KME Group, and (iv) enabling corporate simplification that leads to cost savings. The Offers and the Delisting, therefore, are consistent with the new strategy undertaken by the Issuer already in 2022 (the “**New Strategy**”), which will lead to KME no longer being a holding company focused on the achievement of returns deriving from the active management of the investments in the portfolio, with a view to improving their value, but rather a holding company focused on the industrial management of its main investment, KME SE.

The Transaction, and consequently the Offers, also play a crucial role in achieving the objectives outlined in the New Strategy. These objectives include reducing the overall capitalisation of the new structure of the KME Group and focusing its activities on the industrial management of KME SE. This strategic direction aligns with the projected growth of the copper laminates sector and aims to enhance the overall competitive position of the KME Group, leveraging the extraordinary transactions carried out in recent years.

The Offers and the Delisting are thus instrumental in achieving the business objectives of the Issuer set out above.

2. OFFEROR AND ISSUER AND PARENT COMPANY

2.1. OFFEROR AND ISSUER

As KME, the issuer of the financial instruments included in the Offers (namely, the Ordinary Shares, Savings Shares and Warrants), is the entity launching the Offers, it should be noted that the Issuer and the Offeror are one and the same.

KME Group S.p.A. (formerly “Intek Group S.p.A.”) is a joint-stock company under Italian law, with registered office in Milan, Foro Buonaparte, no. 44, tax code and registration in the Register of Companies of Milan Monza Brianza and Lodi no. 00931330583 and VAT no. 00944061001. The duration of the company is set until 31 December 2050.

At the date of this communication (the “**Communication**”), the subscribed and paid-up share

capital of the Issuer is equal to Euro 200,072,198.28, fully subscribed and paid up, and is represented by 322,394,637 shares with no nominal value, of which 307,148,132 are Ordinary Shares (ISIN code IT0004552359), equal to 95.27% of the share capital, and 15,246,505 are Savings Shares (ISIN codes IT0004552367 and IT0004552375), equal to 4.73% of the share capital, both listed on Euronext Milan.

It should be noted that, at the date of this Communication, there are also 152,316,040 Warrants, each of which assigns the right to subscribe 1 conversion share with the same characteristics as the Ordinary Shares.

Following the approval by the Ordinary Shareholders' Meeting of 8 June 2021 of the Remuneration Policy for the 2021-2023 three-year period and the "Intek Executive Director 2021-2024 Incentive Plan" (available on the Company's website), 37,500,000 warrants were issued and assigned free of charge to the Executive Directors, at the exercise price of Euro 0.40 and exercisable by 28 June 2024, which if exercised will give rise to a share capital increase of up to Euro 15 million (the "Management Warrants").

KME is a subsidiary of Quattrodue pursuant to Article 93 of the Consolidated Law on Finance, with a stake of 47.46% of the ordinary share capital and 63.59% of the total voting rights.

Below are the data relating to the main shareholders of KME (with equity investments equal to or greater than 5% of the share capital) on the basis of the communications received pursuant to Article 120 of the Consolidated Law on Finance and other information available to the Issuer:

Declarant or party at the top of the investment chain	Direct Shareholder	Number of Ordinary Shares	Percentage of ordinary share capital	Percentage of voting capital
Quattrodue S.p.A.	Quattrodue S.p.A.	145,778,198	47.46%	63.59%
	Total	145,778,198	47.46%	63.59%

At the date of this Communication, the Issuer holds 6,937,311 Treasury Shares, equal to 2.26% of the ordinary capital, but holds no Savings Shares or Warrants.

Without prejudice to the above, the Issuer does not hold any further equity investment (including through derivative financial instruments) that grants a long position on the Ordinary Shares, Savings Shares, Warrants or other financial instruments of the Issuer.

For the sake of completeness, it should be noted that, based on the information known to KME, at the date of this Communication:

- Quattrodue holds (i) 145,778,198 Ordinary Shares, equal to 47.46% of the ordinary share capital, corresponding to 291,556,390 voting rights, equal to 63.59% of total voting rights (458,494,087); (ii) 1,424,032 Savings Shares, equal to 9.34% of the category capital and (iii) 73,680,892 Warrants, equal to 48.37% of the outstanding Warrants;
- the Executive Chairman of the Issuer's Board of Directors, Vincenzo Manes:
 - holds 98.13% of Mapa S.r.l., which holds 35.12% of Quattrodue, a company that exercises control over the Issuer pursuant to Article 93 of the Consolidated Law on Finance;
 - holds 16,750,000 Management Warrants;
 - is Executive Chairman of the Board of Directors of KMH.

- the Director Ruggero Magnoni owns 75.54% of RFM & Partners SpA, which holds 32.44% of the share capital of Quattroduedue, a company that exercises control over the Issuer pursuant to Article 93 of the Consolidated Law on Finance;
- the Executive Deputy Chairman of the Board of Directors, Marcello Gallo, holds 835,931 Ordinary Shares, 337,384 Warrants and 5,250,000 Management Warrants;
- the Executive Deputy Chairman of the Board of Directors, Diva Moriani, holds 16,000,000 Management Warrants and is the Chief Executive Officer of KMH;
- the Director Luca Ricciardi holds 121,081 Savings Shares (which derive from purchases made autonomously prior to the date of first appointment as a director of the Issuer) and 48,432 Warrants (which do not derive from autonomous investments but from the free assignment in favour of all shareholders during 2021); and
- the Director Alberto Previtali, together with his spouse, holds 19,020,000 Ordinary Shares and 7,046,000 Warrants.

2.2 PERSONS ACTING IN CONCERT WITH THE OFFEROR

Pursuant to Article 101-*bis*, paragraphs 4 and 4-*bis*, of the TUF, Quattroduedue, KMH, Lynstone II and Lynstone SSF are persons who act in concert with the Offeror (the “**Persons Acting in Concert**” and, each of them, a “**Person acting in concert**”).

More specifically,

- Quattroduedue qualifies as a person acting in concert with the Offeror pursuant to Article 101-*bis*, paragraph 4-*bis*, letters a) and b), of the TUF, as the party that controls the Offeror and as party to the Investment Agreement;
- KMH qualifies as a person acting in concert with the Offeror pursuant to Article 101-*bis*, paragraph 4-*bis*, letter b), of the TUF, as a company wholly owned by the Offeror;
- Lynstone II and Lynstone SSF qualify as persons acting in concert with the Offeror pursuant to Article 101-*bis*, paragraph 4-*bis*, letter b), of the TUF, as parties to the Investment Agreement.

Without prejudice to the foregoing, the Issuer will be the only party to become the purchaser of the Financial Instruments that will be used in acceptance of the Offers.

2.3 CONTROLLING PARTY OF THE OFFEROR

Quattroduedue is a joint-stock company governed by Italian law, with registered office in Milan, Foro Buonaparte, 44, registered in the Register of Companies of Milan, Monza-Brianza and Lodi under no. 06924040964. The duration of the company is set until 31 December 2050.

At the date of this Communication, the shareholders of Quattroduedue are; (i) Vincenzo Manes, through Mapa S.r.l. (Milan) with a 35.12% investment; (ii) Ruggero Magnoni, through RFM & Partners S.p.A. (Varese) (previously Likipi Holding SA – Luxembourg) with a 32.44% interest; and (iii) Hanseatic Europe S.à r.l. (Luxembourg), with a shareholding of 32.44%.

At the date of this Communication: (i) a shareholders' agreement is in place between the shareholders of Quattroduedue, as the company holding a direct equity investment in KME; and (ii) none of the shareholders holds control of Quattroduedue pursuant to Article 93 of the Consolidated Law on Finance.

The above-mentioned shareholders' agreement, published in extract form in the daily newspaper “*Italia Oggi*” on 30 January 1999 pursuant to Article 122 of the Consolidated Law on Finance, has been subject to subsequent extensions, communicated in accordance with the law and regulations,

bringing its current expiry to 30 June 2025. For further details on the shareholders' agreement, please refer to the abstract available for consultation on the website www.consob.it as well as on the Issuer's website at www.itkgroup.it, in the Company Profile section.

3. CATEGORIES AND QUANTITY OF THE FINANCIAL INSTRUMENTS SUBJECT TO THE OFFERS

3.1 THE ORDINARY SHARES PTO

The Ordinary Shares full PTO concerns 154,432,623 Ordinary Shares, corresponding to all Ordinary Shares outstanding, less the 145,778,198 Ordinary Shares held by the shareholder Quattrodue due and the 6,937,311 Treasury Shares, which may be increased by an additional 78,635,148 Ordinary Shares possibly deriving from the exercise of a maximum of 78,635,148 Warrants outstanding.

The Ordinary Shares are admitted to the centralised management system of Monte Titoli S.p.A. in dematerialised form pursuant to the applicable regulations and are traded on Euronext Milan.

The Ordinary Share PTO is intended, without distinction and on equal terms, for all ordinary shareholders of the Issuer.

The Ordinary Shares tendered for the Ordinary Shares PTO must be free from any real, mandatory and personal restrictions and encumbrances of any kind and nature and must be freely transferable to the Offeror and have regular dividend rights.

3.2 THE SAVINGS SHARES PTO

The Savings Shares full PTO concerns 13,822,473 Savings Shares, corresponding to all outstanding Savings Shares, excluding the 1,424,032 Savings Shares held by the shareholder Quattrodue due.

The Savings Shares are admitted to the centralised management system of Monte Titoli S.p.A. in dematerialised form pursuant to the applicable regulations and are traded on Euronext Milan.

The Savings Share PTO is intended, without distinction and on equal terms, for all savings shareholders of the Issuer.

The Savings Shares tendered for the Savings Shares PTO must be free from any real, mandatory and personal restrictions and encumbrances of any kind and nature and must be freely transferable to the Offeror and have regular dividend rights.

3.3 THE WARRANT PTO

The Warrant full PTO concerns 78,635,148 Warrants, corresponding to all outstanding Warrants, less the 73,680,892 Warrants held by Quattrodue due.

The Warrants are admitted to the centralised management system of Monte Titoli S.p.A. in dematerialised form pursuant to the applicable regulations and are traded on Euronext Milan.

The Warrant PTO is intended, without distinction and on equal terms, for all holders of the Issuer's Warrants.

Subsequent to the Warrant PTO, the Offeror intends to launch in any case the Warrant PEO, at a ratio of 1 Ordinary Share for every 2.3 Warrants subscribed. The Warrant PEO will be intended, without distinction and on equal terms, for all holders of the Issuer's Warrants, following the Warrant PTO. The related formal resolutions by the Board of Directors of the Company, implementing what was previously resolved by the Shareholders' Meeting of 12 June 2023 (referred to below), will be taken after the conclusion of the Warrant PTO. It should also be noted that pursuant to the Investment Agreement, the controlling shareholder Quattrodue due has undertaken to subscribe to the Warrant PEO with all the Warrants it holds.

On 12 June 2023, the ordinary and extraordinary Shareholders' Meeting of the Issuer made several resolutions, including the following: (i) authorised the purchase, through the Offers, of (a) all outstanding Ordinary Shares; (b) all outstanding Savings Shares and (c) all outstanding Warrants; (ii) approved the cancellation of all Ordinary Shares and Savings Shares held by the Offeror upon completion of the respective Offers, and which should not be used by the Company to fulfill the Warrant PEO; and (iii) approved the cancellation of all Warrants held by the Company at the conclusion of the Warrant PTO and the revocation of the corresponding share capital increase related to the portion allocated to the Warrants that will be cancelled.

4. UNIT PRICE OFFERED AND TOTAL VALUE OF THE OFFERS

Foreword

The price that the Offeror will pay in relation to each of the Offers is shown below:

- the price for the Ordinary Shares PTO is equal to Euro 1.00 for each Ordinary Share tendered in the Ordinary Shares PTO (the "**Ordinary Shares PTO Price**");
- the price for the Savings Share PTO is equal to Euro 1.08277 (ex dividend of Euro 0.217230)² for each Savings Share tendered in the Savings Share PTO (the "**Savings Share PTO Price**");
- the price of the Warrant PTO is equal to Euro 0.60 for each Warrant tendered in the Warrant PTO (the "**Warrant PTO Price**" and, jointly, the Ordinary Shares PTO Price and the Warrant PTO Price, the "**Offer Price**").

With reference to the Offer Price, the following is noted:

- on 28 March 2023, the Company's Board of Directors had disclosed to the public the essential terms and conditions of the Transaction, pursuant to which a unit price was envisaged for the Ordinary Shares PTO, for the Savings Shares PTO and for the Warrant PTO equal to Euro 1.00, Euro 1.20 (cum dividend of Euro 0.217230) and Euro 0.45, respectively;
- the Company has prudently followed the procedures outlined in the Consob RPT Regulation, as well as the RPT Procedure. The RPT Committee, with the support of the Expert, therefore carried out its own evaluations not only on the Issuer's interest in the completion of the Transaction as a whole and on its substantial fairness and appropriateness, but also on the fairness of the Price for the Offers;
- on 5 May 2023, the RPT Committee submitted the results obtained by the Expert regarding the fairness of the Offer Price from a financial point of view to the Company's Board of Directors, which agreed to increase the Savings Share PTO Price to Euro 1.30 (cum dividend of Euro 0.217230) for each Savings Share and the Warrant PTO Price to Euro 0.60 for each Warrant. The results obtained by the Expert confirmed the fairness of the Ordinary Shares PTO Price from a financial point of view;
- on 6 May 2023, the RPT Committee issued its binding opinion;
- The Board of Directors of the Company, in their meeting held on 10 May 2023, after considering the recommendations of the RPT Committee, approved the proposed increases in the Savings Share PTO Price and the Warrant PTO Price. The RPT Committee found these increases to be suitable and certified their fairness, which was further affirmed by the Expert in the Addendum to the Fairness Opinion attached to the RPT Information Document. The RPT Information Document is available to the public, together with the opinion of the RPT Committee and the

² On 3 May 2023, the KME Ordinary Shareholders' Meeting approved the proposal to distribute a dividend of Euro 0.217230 for each savings share, with payment starting from 24 May 2023, ex dividend no. 6 on 22 May 2023 and record date on 23 May 2023.

Fairness Opinion of the Expert, on the Issuer's website www.itkgroup.it.

4.1 ORDINARY SHARES PTO PRICE

The Ordinary Shares PTO Price is equal to Euro 1.00 for each Ordinary Share tendered in the Ordinary Shares PTO.

In defining the Ordinary Shares PTO Price, the Offeror took into consideration the following criteria:

- the listing price of the Ordinary Shares on the Trading Days prior to the dates of announcement to the market of the Transaction, i.e. 27 February 2023 and 28 March 2023;
- the weighted average daily price of the Ordinary Shares, based on the official price, in certain time intervals, i.e. 1 month, 3 months, 6 months and 12 months before the Trading Days prior to 27 February 2023 and 28 March 2023.

In determining the Ordinary Shares PTO Price, the Offeror also took into account the Fairness Opinion issued by the Expert in support of the RPT Committee for the issue of its opinion.

The Ordinary Shares PTO Price includes a premium of 46.3% with respect to the official price recorded on 27 February 2023 (last trading day prior to the press release of 28 February 2023), the premiums indicated in the table below, compared to the weighted average of official prices in the 1-month, 3-month, 6-month and 12-month periods prior to 27 February 2023 (inclusive).

Ordinary Shares PTO Price		
Time period before the announcement date	Weighted average prices (Euro)	Implicit premium in Consideration (%)
Official price at 27 February 2023	0.6836	46.3%
1 month	0.6925	44.4%
3 months	0.6312	58.4%
6 months	0.5894	69.7%
12 months	0.5563	79.8%

Source: Based on Borsa Italiana data

The Ordinary Shares PTO Price includes a premium of 29.7% with respect to the official price recorded on 28 March 2023 (last trading day prior to the press release of 28 March 2023) and the premiums indicated in the table below, compared to the weighted average of official prices in the 1-month, 3-month, 6-month and 12-month periods prior to 28 March 2023.

Ordinary Shares PTO Price		
Time period before the announcement date	Weighted average prices (Euro)	Implicit premium in Consideration (%)
Official price at 28 March 2023	0.7712	29.7%
1 month	0.7854	27.3%

3 months	0.7273	37.5%
6 months	0.6579	52.0%
12 months	0.5880	70.1%

Source: Based on Borsa Italiana data

The Ordinary Shares PTO Price is exclusive of stamp duty, registration tax and Italian financial transaction tax, where applicable, and the fees, commissions and expenses that will be payable by the Offeror. Conversely, any income tax, withholding tax or substitute tax, if due, on any capital gain realised will remain the responsibility of the subscribers.

4.2 SAVINGS SHARE PTO PRICE

The Savings Share PTO Price is equal to Euro 1.08277 (ex dividend of Euro 0.217230) for each Savings Share tendered in the Savings Share PTO.

It should be noted that the market announcements for the Transaction (28 February 2023 and 28 March 2023) occurred before the ex-dividend date (22 May 2023) and payment date (24 May 2023) of the cash dividend, amounting to Euro 0.217230 per Savings Share, which was approved by the Shareholders' Meeting of the Issuer on 3 May 2023. The prices indicated below as ex dividends are therefore understood to be adjusted by the amount of Euro 0.217230 per Savings Share.

In defining the Savings Shares PTO Price, the Offeror took into consideration the following criteria:

- the listing price of the Savings Shares on the Trading Days prior to the dates of announcement to the market of the transaction, i.e. 27 February 2023 and 28 March 2023;
- the weighted average daily price of the Savings Shares, based on the official price, in certain time intervals, i.e. 1 month, 3 months, 6 months and 12 months before the Trading Days prior to 27 February 2023 and 28 March 2023.

In determining the Savings Shares PTO Price, the Offeror also took into account the Fairness Opinion issued by the Expert in support of the RPT Committee for the issue of its opinion.

The Savings Shares PTO Price includes a premium of 36.0% with respect to the official price recorded on 27 February 2023 (last trading day prior to the press release of 28 February 2023), the premiums indicated in the table below, compared to the weighted average of official ex dividend prices in the 1-month, 3-month, 6-month and 12-month periods prior to 27 February 2023 (inclusive).

Savings Shares PTO Price		
Time period before the announcement date	Weighted average ex dividend prices ⁽¹⁾ (Euro)	Implicit premium in Consideration (%)
Official price at 27 February 2023	0.7961	36.0%
1 month	0.7633	41.8%
3 months	0.6818	58.8%
6 months	0.6231	73.8%
12 months	0.5750	88.3%

Source: Based on Borsa Italiana data

(1) Calculated for each time period by subtracting from the official prices the amount of Euro 0.217230 (equal to the dividend per Savings Share approved by the Issuer's Shareholders' Meeting on 3 May 2023, with payment date 24 May 2023)

The Savings Share PTO Price includes a premium of 43.2% with respect to the official ex dividend price recorded on 28 March 2023 (last trading day prior to the press release of 28 March 2023) and the premiums indicated in the table below, compared to the weighted average of official ex dividend prices in the 1-month, 3-month, 6-month and 12-month periods prior to 28 March 2023.

Savings Shares PTO Price		
Time period before the announcement date	Weighted average ex dividend prices ⁽¹⁾ (Euro)	Implicit premium in Consideration (%)
Official price at 28 March 2023	0.7562	43.2%
1 month	0.7790	39.0%
3 months	0.7239	49.6%
6 months	0.6846	58.2%
12 months	0.6052	78.9%

Source: Based on Borsa Italiana data

(1) Calculated for each time period by subtracting from the official prices the amount of Euro 0.217230 (equal to the dividend per Savings Share approved by the Issuer's Shareholders' Meeting on 3 May 2023, with payment date 24 May 2023)

The Savings Shares PTO Price is exclusive of stamp duty, registration tax and Italian financial transaction tax, where applicable, and the fees, commissions and expenses that will be payable by the Offeror. Conversely, any income tax, withholding tax or substitute tax, if due, on any capital gain realised will remain the responsibility of the Subscribers.

4.3 WARRANT PTO PRICE

The Warrant PTO Price is equal to Euro 0.60 for each Warrant accepted as part of the Warrant PTO.

In defining the Warrant PTO Price, the Offeror took into consideration the following criteria:

- the listing price of the Warrants on the Trading Days prior to the dates of announcement to the market of the transaction, i.e. 27 February 2023 and 28 March 2023;
- the weighted average daily price of the Warrants, based on the official price, in certain time intervals, i.e. 1 month, 3 months, 6 months and 12 months before the Trading Days prior to 27 February 2023 and 28 March 2023.

In determining the Warrant PTO Price, the Offeror also took into account the Fairness Opinion issued by the Expert in support of the RPT Committee for the issue of its opinion.

The Warrants PTO Price includes a premium of 104.7% with respect to the official price recorded on 27 February 2023 (last trading day prior to the press release of 28 February 2023), the premiums indicated in the table below, compared to the weighted average of official prices in the 1-month, 3-month, 6-month and 12-month periods prior to 27 February 2023 (inclusive).

Warrant PTO Price

Time period before the announcement date	Weighted average prices (Euro)	Implicit premium in Consideration (%)
Official price at 27 February 2023	0.2931	104.7%
1 month	0.3011	99.3%
3 months	0.2411	148.8%
6 months	0.2177	175.6%
12 months	0.1802	233.0%

Source: Based on Borsa Italiana data

The Warrant PTO Price includes a premium of 96.0% with respect to the official price recorded on 28 March 2023 (last trading day prior to the press release of 28 March 2023) and the premiums indicated in the table below, compared to the weighted average of official prices in the 1-month, 3-month, 6-month and 12-month periods prior to 28 March 2023.

Warrant PTO Price		
Time period before the announcement date	Weighted average prices (Euro)	Implicit premium in Consideration (%)
Official price at 28 March 2023	0.3061	96.0%
1 month	0.3201	87.5%
3 months	0.2985	101.0%
6 months	0.2615	129.5%
12 months	0.1948	208.0%

Source: Based on Borsa Italiana data

The Warrant PTO Price is exclusive of stamp duty, registration tax and Italian financial transaction tax, where applicable, and the fees, commissions and expenses that will be payable by the Offeror. Conversely, any income tax, withholding tax or substitute tax, if due, on any capital gain realised will remain the responsibility of the Subscribers.

4.4 Total value of the Offers and methods of financing the Offers

If none of the outstanding Warrants is exercised, in the event of full acceptance of the Offers, the Offeror will incur a maximum total outlay of Euro 216,580,270.89, of which:

- (i) Euro 154,432,623.00 as the Ordinary Shares PTO Price;
- (ii) Euro 14,966,559.09 (*ex dividend*) as the Savings Shares PTO Price;
- (iii) Euro 47,181,088.80 as the Warrant PTO Price.

On the other hand, in the event of (i) full exercise of the 78,635,148 Warrants in circulation and (ii) full subscription in the Ordinary Shares PTO of the 78,635,148 Ordinary Shares deriving from the aforementioned full exercise of the Warrants, the maximum total disbursement of the Offers will be equal to Euro 248,034,330.09 (the “**Maximum Total Disbursement**”), of which:

- (i) Euro 233,067,771.00 as the Ordinary Shares PTO Price;

- (ii) Euro 14,966,559.09 (*ex dividend*) as the Savings Shares PTO Price;
- (iii) no disbursement in relation to the Warrant PTO.

The Offeror declares, pursuant to Article 37-*bis* of the Issuers' Regulation to have placed itself in a position to be able to fully meet the payment commitments of the maximum total disbursement of the Offers, as reported above.

To meet the financial obligations associated with the payment requirements of the Offers, the Company will utilise funds obtained from the following sources: (i) the repayment of the outstanding debt to KME by KMH, resulting from the partial sale of the equity investment in KME SE and the complete divestment of the equity investment in KME Germany Bet. GmbH, for a total of Euro 41.7 million plus interest (the “**Redemption**”); (ii) the intercompany loan that will be disbursed by KMH in favour of the Offeror, for a maximum total value of up to Euro 159.3 million (the “**Intra-group Loan**”); (iii) from own funds of the KME Group for a maximum amount of Euro 15.5 million; and (iv) any amounts deriving from the payment of the exercise price in the event of exercise of the 78,635,148 Warrants outstanding for a maximum amount of Euro 31.5 million.

It should be noted that the financial resources that KMH will provide to KME through the Intra-group Loan will in turn derive from the execution – according to the terms and conditions set out in the Investment Agreement – of the following transactions:

- (i) the subscription in cash by Lynstone II of bonds (“**Notes**”) to be issued by KMH, for a nominal value between a minimum of Euro 79 million and a maximum of Euro 135.1 million and payment of a subscription price between a minimum of Euro 76.6 million and a maximum of Euro 131.0 million (equal to 97% of the nominal value), maturing on 31 December 2025 and to be repaid in 3 annual instalments of the same amount on 31 December of each year, on which interest will accrue equal to (i) 10% per year, for interest payment dates falling in 2023, (ii) 12% per year, for interest payment dates falling in 2024, (iii) 15% per year, for interest payment dates falling in 2025; and
- (ii) the subscription in cash by Lynstone SSF of a capital increase of KMH, for between a minimum of Euro 41 million and a maximum of Euro 70 million, with the issue of special category shares with some specific characteristics depending on the Transaction and representative of between a minimum of 12.0% and a maximum of 20.5% of the relative share capital;

and, therefore, for a total amount (through a combination of equity and debt equal, respectively, to 33%-34% and 66%-67%) of a maximum of Euro 201 million, which will be paid to KMH, based on subscriptions to the Offers.

The Offeror will obtain and provide CONSOB with appropriate guarantees of full compliance, in accordance with the provisions of Article 37-*bis*, paragraph 3, of the Issuers' Regulation, by the day before the publication of the Offer Document.

5. INTENTION TO WITHDRAW THE FINANCIAL INSTRUMENTS SUBJECT TO THE OFFERS FROM TRADING

The Offers are part of a project that aims to achieve the Delisting, subject to meeting the necessary requirements.

Following the completion of the Ordinary Shares PTO, if the legal conditions for the fulfilment of the purchase obligation pursuant to Article 108(2) of the Consolidated Law on Finance are not met, it cannot be ruled out that a shortage of free float will occur. Similarly, following the completion of the Savings Share PTO and Warrant PTO, it cannot be excluded that there will be a shortage of free float for the Savings Shares and Warrants.

In this situation, the Financial Instruments may encounter liquidity issues, where sale or purchase requests may not find suitable and timely counterparts. Additionally, they may also be subject to price fluctuations, including potentially significant ones.

If the available quantity of free float is insufficient to ensure the regular trading of the Financial Instruments, Borsa Italiana has the authority to suspend or delist one or more of the Financial Instruments according to Article 2.5.1 of the Borsa Italiana Regulations.

It is important to note that, even if there is a shortage of free float, the Offeror does not plan to take any measures to address the minimum free float requirements necessary for regular trading of the Financial Instruments.

In the event that, following the Ordinary Shares PTO, the Offeror (together with the Persons Acting in Concert) holds a total stake of more than 90%, but less than 95%, of the ordinary share capital of the Issuer, the Offeror hereby declares its intention not to reconstitute a sufficient free float to ensure the regular performance of trading and, as a result, will proceed, pursuant to Article 108, paragraph 2, of the Consolidated Law on Finance, to purchase the remaining Ordinary Shares from each shareholder who requests them as set forth in the aforementioned article.

Following the fulfilment of the purchase obligation pursuant to Article 108, paragraph 2, of the Consolidated Law on Finance, Borsa Italiana, pursuant to Article 2.5.1 of the Borsa Italiana Regulations will order the Delisting of the Ordinary Shares. In the event of Delisting of the Ordinary Shares, it should be noted that the holders of the Ordinary Shares who have not participated in the Ordinary Shares PTO will be holders of financial instruments not traded on any regulated market, with consequent difficulties in liquidating their investment in the future. It is noted that, pursuant to Article 5 of the Issuer's Articles of Association, should Borsa Italiana issue a revocation measure pursuant to Article 2.5.1 of the Borsa Italiana Regulations relating to the Ordinary Shares or Savings Shares, the savings shareholders who have not participated in the Savings Shares PTO will be entitled to convert their Savings Shares pursuant to Article 5 of the Issuer's Articles of Association. In this case, the savings shareholders who have not subscribed to the Savings Shares PTO will hold shares not traded on any regulated market, with consequent difficulties in liquidating their investment in the future.

In the event that, as a result of the Ordinary Shares PTO, the Offeror (jointly with the Persons Acting in Concert) comes to hold a total stake of at least 95% of the Issuer's ordinary share capital, the Offeror hereby declares its intention to exercise its purchase right, in order to purchase each of the remaining Ordinary Shares, pursuant to and for the purposes of Article 111 of the Consolidated Law on Finance. Where the conditions are met, the Offeror will exercise the right to purchase pursuant to Article 111 of the Consolidated Law on Finance. Simultaneously, they will fulfil the purchase obligation pursuant to Article 108, paragraph 1, of the Consolidated Law on Finance vis-à-vis the requesting shareholders, according to a procedure agreed with CONSOB and Borsa Italiana as stipulated by the Issuers' Regulation. Therefore, the Offeror will follow a unified procedure to fulfil both the purchase obligation stated in Article 108, paragraph 1, of the Consolidated Law on Finance and the exercise of the right to purchase as outlined in Article 111 of the Consolidated Law on Finance.

The purchase obligation pursuant to Article 108, paragraph 2, of the Consolidated Law on Finance, the purchase right pursuant to Article 111 of the Consolidated Law on Finance, and the purchase obligation pursuant to Article 108, paragraph 1, of the Consolidated Law on Finance do not apply to the Savings Shares and the Warrants and, therefore, to the respective Offers.

Additional scenarios - Delisting

Pursuant to the Investment Agreement, its parties have agreed that, considering that the purpose of

the Transaction as a whole is the Delisting, this – if not achieved as a result of the Offers, including, if the conditions are met, as a result of the fulfilment of the purchase obligations pursuant to Article 108 of the Consolidated Law on Finance and the exercise of the right to purchase pursuant to Article 111 of the Consolidated Law on Finance on the Ordinary Shares – may be achieved through one or more of the following transactions:

- (i) with regard to the Warrants, the launch of the Warrant PEO;
- (ii) with regard to the Savings Shares, any proposed mandatory conversion of the Savings Shares into Ordinary Shares (the “**Conversion Proposal**”); and/or
- (iii) the reverse merger of the Company into KMH (the “**Merger for the Delisting**”), subject to approval by the competent corporate bodies, in line with the reasons and objectives of the Offers. The Merger for the Delisting would be qualified as a transaction between related parties subject to the relevant applicable regulations and the RPT Procedure adopted by KME. In addition, depending on the manner in which the Merger for the Delisting is executed, the Merger for the Delisting may require, in addition to the approval by the ordinary shareholders, also the approval by the special meeting of the savings shareholders and, in such case, may give the savings shareholders who did not participate in the approval of the Merger for the Delisting the right to withdraw from the Company pursuant to Article 2437 of the Italian Civil Code, with the consequent right to the liquidation value of their Savings Shares determined in accordance with Article 2437-ter, paragraph 3, of the Italian Civil Code. In any event, the holders of Ordinary Shares and holders of Savings Shares who did not participate in the resolution approving the Merger for the Delisting would be entitled to withdrawal rights pursuant to Article 2437-quinquies of the Italian Civil Code, since, in such a case, they would receive in exchange shares not listed on a regulated market. Also in this case, the liquidation value of the Company's shares subject to withdrawal would be determined pursuant to Article 2437-ter, paragraph 3, of the Italian Civil Code, by reference to the arithmetic average of the prices of the Company's shares in the six months preceding the publication of the notice of call of the shareholders' meeting whose resolutions legitimise the withdrawal.

As a result of the Merger for the Delisting, those who are still holders of Warrants as a result of both the Warrant PTO and the Warrant PEO, will become holders of warrants of the company resulting from the Merger for the Delisting. These warrants will give the right, if the conditions are met, to receive unlisted shares of the company resulting from the Merger for the Delisting, according to the terms, conditions and the exercise ratio that will be defined in the context of the Merger for the Delisting. Consequently, these warrants cannot be admitted to listing pursuant to Article 2.2.16 of the Borsa Italiana Regulations.

It should also be noted that, in the event of Delisting (not resulting from the Merger for the Delisting), the Company intends, in any case, to proceed with the merger with KMH (the “**Post-Delisting Merger**”), subject to approval by the competent corporate bodies of the Company and of KMH. Upon completion of the Offers, the Issuer's shareholders who remain in the Issuer's shareholding structure and who did not take part in the resolutions approving the Post-Delisting Merger, would have the right to withdraw exclusively upon the occurrence of one of the cases provided for by Article 2437 of the Italian Civil Code, with the exception of the cases provided for by Article 2437, paragraph 2, letter (a), of the Italian Civil Code, as provided for by Article 27 of the Articles of Association. In this case, the liquidation value of the Company's shares subject to withdrawal would be determined pursuant to Article 2437-ter, paragraph 2, of the Italian Civil Code, taking into account the equity size of the Issuer and its income prospects, as well as the market value of the shares, if any. As a result of the Post-Delisting Merger, those who – as a result of both the Warrant PTO and the Warrant PEO – will still be holders of Warrants will become holders of warrants of the company

resulting from the Post-Delisting Merger. These warrants will give the right, if the conditions are met, to receive unlisted shares of the company resulting from the Post-Delisting Merger, according to the terms, conditions and the exercise ratio that will be defined in the context of the Post-Delisting Merger. Consequently, these warrants cannot be admitted to listing pursuant to Article 2.2.16 of the Borsa Italiana Regulations.

6. CONDITIONS OF EFFECTIVENESS OF THE OFFERS

The effectiveness of the Offers is subject to the following conditions (the “**Conditions of the Offers**”):

(i) the non-occurrence by 7:59 a.m. on the trading day preceding the payment date at the end of the subscription period of: (i) extraordinary events or situations that entail or may entail significant changes in the political, financial, economic, currency, regulatory, health or market situation, at a national and/or international level, which have a substantially detrimental effect on the Offers and/or on the financial, asset, economic and/or income situation of the Issuer (and/or of its subsidiaries and/or affiliates) compared to the situation resulting from the accounting document most recently approved by the Issuer; and/or (ii) acts, facts, circumstances, events, objections or situations concerning the Issuer and/or the KME Group that entail, or could reasonably entail, material negative effects on the financial, equity, economic or income situation of KME (and/or its subsidiaries and/or associates), as resulting from the most recent accounting document approved by the Issuer; and/or (iii) the adoption or publication by competent institutions, bodies or Authorities of legislative, administrative or judicial acts or measures such as to preclude, limit or render more onerous, in whole or in part, also on a transitional basis, the possibility for KME and/or the KME Group to complete the Offers (*sub* (i), (ii) and (iii), jointly, the “**MAC Condition**”). It should be noted that the events or situations referred to in points (i), (ii) and (iii) above – the occurrence of which could result in the non-fulfilment of the MAC Condition, where they entail, or could reasonably entail, substantially prejudicial effects on the Offers and/or on the Issuer, as envisaged above – include: (a) a major crisis in the credit and financial markets and the banking system; (b) the exit of one or more countries from the Eurozone; (c) acts of war involving members of NATO in relation to, or in any case in connection with, the conflict between Russia and Ukraine, (d) acts of terrorism or disasters, as well as (e) detrimental impacts and developments on the economy, the financial markets and the banking sector that occur also as a result of the continuation and/or escalation of the conflict between Russia and Ukraine and/or the tightening of economic sanctions against the Russian economy and the impacts and/or consequences, including indirect, that these trade sanctions may have on the economy, on the financial markets and on the banking system in general (which, although they are phenomena in the public domain as of today, may have consequences that are not currently foreseeable in any way in any business area); (f) significant disruption in the banking system, suspension or severe restrictions in general, or large fluctuations in the trading of financial instruments in the major financial markets; (g) general moratoria in the bank payment system declared by the competent authorities; (h) the filing of petitions for the declaration of bankruptcy, for submission to insolvency proceedings or similar proceedings, against KME and/or KMH and/or the state of insolvency, bankruptcy or liquidation of KME and/or KMH, their submission to insolvency, bankruptcy, liquidation or similar procedures; (i) any detrimental impact, even considered prospectively, that may be produced on public health and the economy by any epidemic or pandemic situation, including any crisis, temporary or permanent blockage or closure of the financial and/or production markets and/or distribution networks through which the Issuer operates;

(ii) the achievement of an amount of acceptance of the Offers, considered as a whole, for a total value of at least Euro 120.0 million (the “**Minimum Disbursement Condition**”);

(iii) obtaining, by the second trading day preceding the payment date at the end of the subscription period, any authorisation, approval or clearance that may be requested by any competent authority

pursuant to applicable laws for completion of the Offers and/or the achievement of their objectives, without the imposition of any conditions, restrictions or other corrective and/or remedial measures (the “**Authorisation Condition**”).

The Offeror, with the consent of Lynstone II and Lynstone SSF, reserves the right to waive, or modify, in whole or in part, one or more of the Conditions of the Offers (and, as regards the Authorisation Condition, within the limits permitted by law) in the terms specified below (without the need to express themselves in advance with respect to the same terms), in compliance with the provisions of Article 43 of the Issuers' Regulation, by giving notice pursuant to Article 36 of the Issuers' Regulation.

In particular, pursuant to Article 36 of the Issuers' Regulation, the Offeror shall communicate the fulfilment or non-fulfilment of the Conditions of the Offers and, if the Conditions of the Offers are not fulfilled, any waiver, in whole or in part, of one or more of these Offer Conditions, in the following terms:

- with regard to the Minimum Disbursement Condition, with the announcement of the provisional results of the Offers, which will be published by the evening of the last day of the acceptance period and, in any case, by 7:59 a.m. of the next trading day at the end of the subscription period;
- with regard to the Authorisation Condition and the MAC Condition by 7:59 a.m. on the trading day preceding the payment date at the end of the subscription period.

In the event that any of the Conditions of the Offers have not been fulfilled and the Offeror, with the consent of Lynstone II and Lynstone SSF, has not exercised its right of waiver, the Offers will not be finalised. In such case, the Financial Instruments tendered in the Offers will be returned to their respective owners by the end of the trading day following the first announcement declaring the ineffectiveness of the Offers.

7. DURATION OF THE OFFERS

The Offer subscription period will be agreed with Borsa Italiana between a minimum of 15 and a maximum of 40 trading days, pursuant to Article 40, paragraph 2, letter b) of the Issuers' Regulation, except for any extensions of which the Offeror will give notice pursuant to the legal and regulatory provisions in force.

The Offeror reserves the right to decide whether to voluntarily apply the reopening of the terms of the subscription period, pursuant to Article 40-*bis* of the Issuers' Regulation.

8. MARKETS IN WHICH THE OFFERS ARE PROMOTED

The Offers are promoted only in Italy, since the Ordinary Shares, the Savings Shares and the Warrants are listed exclusively on Euronext Milan and each of them is intended, without distinction and on equal terms, to all holders of Ordinary Shares, Savings Shares and Warrants, respectively.

The Offers have not been and will not be promoted or disseminated in the United States of America, Canada, Japan and Australia, as well as in any other State in which such Offers are not permitted without authorisation from the competent authorities or are in violation of local rules or regulations (the “**Other Countries**”), or using communication tools or international trade (including, by way of example, the postal network, fax, telex, email, telephone and internet) of the United States, Canada, Japan, Australia or the Other Countries, or through any structure of any of the financial intermediaries of the United States, Canada, Japan, Australia or the Other Countries, or in any other way.

Acceptance of the Offers by parties residing in countries other than Italy may be subject to specific obligations or restrictions envisaged by legal or regulatory provisions. It is the sole responsibility of the parties who intend to subscribe to the Offers to comply with these rules and, therefore, before accepting

the Offers, to verify their existence and applicability, by contacting their consultants and complying with the provisions themselves before accepting the Offers.

9. CHANGES TO THE OFFERS

In compliance with the limits imposed by the applicable legal and regulatory provisions (including, in particular, Article 43 of the Issuers' Regulation), the Offeror reserves the right to make changes to the Offers by the day before the end of the subscription period (including the possible reopening of the terms of the subscription period).

If the Offeror exercises its right to make changes to the Offers on the last day available to it (*i.e.*, the day prior to that scheduled for the closure of the subscription period), the closure of the subscription period may not take place within less than 3 (three) trading days from the date of publication of the changes made in compliance with the applicable legal and regulatory provisions.

10. EQUITY INVESTMENTS HELD BY THE OFFEROR AND BY THE PERSONS ACTING IN CONCERT

At the date of this Communication:

- the Offeror holds 6,937,311 Treasury Shares, equal to 2.26% of the ordinary capital, but holds no Savings Shares or Warrants.
- Quattrodue holds (i) 145,778,198 Ordinary Shares, equal to 47.46% of the ordinary share capital corresponding to 291,556,390 voting rights equal to 63.59% of total voting rights (458,494,087); (ii) 1,424,032 Savings Shares equal to 9.34% of the category capital and (iii) 73,680,892 Warrants equal to 48.37% of the outstanding Warrants;
- KMH does not hold any Financial Instruments of the Issuer;
- Lynstone II and Lynstone SSF do not hold any Financial Instruments of the Issuer;
- the Offeror and the Persons Acting in Concert do not hold derivative financial instruments that grant long positions in the Issuer.

11. COMMUNICATIONS OR APPLICATIONS FOR AUTHORISATION REQUIRED BY THE APPLICABLE LAW

The launch of the Offers is not subject to the obtaining of authorisations.

Taking into account that the effectiveness of the Offers is subject, *inter alia*, to the Authorisation Condition, it should be noted that the Offeror will submit the application for authorisation regarding golden power to the Presidency of the Council of Ministers of Italy.

12. APPLICABILITY OF THE EXEMPTIONS REFERRED TO IN ART. 101-BIS PARAGRAPH 3 OF THE TUF

The Offeror, taking into account the rationale of Article 101-*bis*, paragraph 3, of the Consolidated Law on Finance, considers the exemptions envisaged by the aforementioned regulation to be applicable to the Offers and, therefore, the provisions of Articles 102, paragraphs 2 and 5 (*Obligations of the offerors and disqualifying powers*), 103, paragraph 3-*bis* (*Execution of the offer*), 104 (*Defences*), 104-*bis* (*Breakthrough rule*) and 104-*ter* (*Reciprocity clause*) of the Consolidated Law on Finance and any other provision of the Consolidated Law on Finance that imposes on the Offeror or the Issuer specific obligations to inform employees or their representatives, do not apply.

13. WEBSITE FOR THE PUBLICATION OF PRESS RELEASES AND DOCUMENTS RELATING TO THE OFFERS

The press releases and documents relating to the Offers will be available for consultation, *inter alia*,

on the Issuer's website at www.itkgroup.it.

14. CONSULTANTS OF THE TRANSACTION AND INTERMEDIARY IN CHARGE OF COORDINATING THE COLLECTION OF SUBSCRIPTIONS

The Offeror is assisted in relation to the Offers by Equita SIM S.p.A., as intermediary responsible for coordinating the collection of subscriptions to the Offers, and by Gatti Pavesi Bianchi Ludovici as legal advisor. Morrow Sodali S.p.A. will act as global information agent in relation to the Offers.

* * *

This Communication is available on the website www.itkgroup.it, where it is possible to request information directly from the Company (phone: +39 02-806291; email: info@itk.it) and on the authorised "eMarket STORAGE" system at www.emarketstorage.it.

* * *

This Communication does not constitute nor is it intended to constitute an offer, invitation or solicitation to buy or otherwise acquire, subscribe, sell or otherwise dispose of financial instruments, and no sale, issue or transfer of financial instruments of KME Group S.p.A. shall be made in any country in violation of the laws applicable therein. The Offers will be made by means of the publication of the relative offer document, subject to CONSOB approval. The offer document will contain the full description of the terms and conditions of the Offers, including the subscription procedures.

The publication or dissemination of this Communication in countries other than Italy may be subject to restrictions based on the applicable law and, therefore, any person subject to the laws of any country other than Italy is required to independently obtain information on any restrictions envisaged by the applicable laws and regulations and make sure to comply with them. Any failure to comply with these restrictions could constitute a violation of the applicable legislation of the relevant country. Within the maximum limits permitted by applicable legislation, the parties involved in the Offers must be considered exempt from any liability or prejudicial consequence that may arise from the violation of the aforementioned restrictions by the aforementioned persons concerned. This Communication has been prepared in accordance with Italian legislation and the information disclosed herein may be different from that which would have been disclosed if the communication had been prepared in accordance with the regulations of countries other than Italy.

No copy of this Communication or of any other document relating to the Offers will be, nor may be, sent by post or otherwise sent or distributed in any, or from any, country in which the provisions of local legislation may cause risks of a civil, criminal or regulatory nature where information concerning the Offers is sent or made available to shareholders of KME Group S.p.A. in that country or in other countries where such conduct would constitute a violation of the laws of that country and any person who receives such documents (including as custodian, trustee or trustee) is required not to send by post or otherwise transmit or distribute the same to or from that country.