



## KME Group SpA

Registered office: 20121 Milan (MI) - Foro Buonaparte 44

Share Capital Euro 200,114,023.16 (fully paid up)

Tax Code and Milan Companies Register no. 00931330583

[www.itkgroup.it](http://www.itkgroup.it)

### PRESS RELEASE

- **THE DRAFT OF FINANCIAL STATEMENTS AND THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2023 HAVE BEEN APPROVED.**
- **FIRST FULL YEAR OF CONSOLIDATION OF INDUSTRIAL PARTICIPATIONS: REVENUES OF EURO 1,881 MILLION, EBITDA OF EURO 134.5 MILLION AND NET INDUSTRIAL PROFIT OF EURO 32.6 MILLION (NET LOSS OF EURO 46.5 MILLION, ALSO DUE TO NON-RECURRING EXPENSES AND TO THE IMPACTS OF THE IFRS VALUATION OF INVENTORIES AND FORWARD CONTRACTS FOR A TOTAL OF EURO 46 MILLION).**
- **CONSOLIDATED EQUITY OF EURO 358.8 MILLION (EURO 569.5 MILLION AS AT 31 DECEMBER 2022) AND RECLASSIFIED NET FINANCIAL POSITION OF EURO 261.4 MILLION (EURO 164.0 MILLION AS AT 31 DECEMBER 2022): BOTH AMOUNTS ARE AFFECTED BY THE PTOs CARRIED OUT IN THE SECOND HALF OF 2023 (INCLUDING THE EFFECTS OF IFRS 16, THE CONSOLIDATED NET FINANCIAL DEBT IS EURO 369.3 MILLION COMPARED TO EURO 267.5 MILLION AS AT 31 DECEMBER 2022).**
- **PROPOSAL FOR THE APPROVAL OF THE SHAREHOLDERS TO COVER THE LOSS FOR THE YEAR BY USING THE EXTRAORDINARY RESERVE IN THE SAME AMOUNT.**
- **MANDATE TO THE CHAIRMAN AND DEPUTY CHAIRPERSONS TO CALL THE SHAREHOLDERS' MEETING FOR 22 AND 23 MAY 2024, BOTH IN ORDINARY AND EXTRAORDINARY SESSIONS.**

\* \* \*

*Milan, 9 April 2024* - The Board of Directors of KME Group SpA, a diversified interests holding company, today approved the parent company's draft financial statements as at 31 December 2023, the consolidated financial statements, 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) and the 2023 Consolidated Disclosure of Non-Financial Information. The Annual Financial Report as at 31 December 2023, inclusive of the above-mentioned reports as well as the reports of the Independent Auditors and the Board of Statutory Auditors, and the Report on Remuneration, will be made public within legal terms 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.it](http://www.emarketstorage.it)).

\* \* \*

#### **Most significant events occurred in 2023 and the first quarter of 2024**

The main events characterising the operations of KME Group and its subsidiaries in 2023 and in the early months of 2024 are described below:

##### **(i) Extraordinary finance transactions**

The 2023 financial year for KME Group SpA (hereinafter also "KME" or the "Company" or the "Parent Company") has been characterised by the project aimed at the delisting of ordinary and savings shares and warrants from the market.

The delisting is considered by the Company functional to the purpose of concentrating its activities in the industrial management of the KME SE Group and of offering the Company greater flexibility in the pursuit of strategies aimed at strengthening its market position, also through external growth, considering that the market listing does not allow the KME Group to be adequately valued.

The financial resources necessary for the delisting derive from the signing of an investment agreement with investment funds managed by JP Morgan Asset Management (UK) Limited (hereinafter also “JPM”), which provides for the issue of bonds (for maximum Euro 135.1 million), and a share capital increase (for a maximum of Euro 70.0 million) approved by the (at the time wholly-owned) subsidiary KMH SpA (“KMH”) and to be subscribed by JPM for a total maximum amount of Euro 205.1 million. As a result of the transactions illustrated below, JPM subscribed Euro 110.8 million in bonds and Euro 54.3 million as a share capital increase, reaching a 15.92% holding in KMH.

The first instrumental transactions to the delisting were the Voluntary Total Public Tender Offers on KME Ordinary Shares, KME Savings Shares and “2021-2024 KME Group SpA” Warrants (the “Warrants”) issued by the Company (the “PTOs”). The PTOs were held from 31 July to 25 September 2023 and, for ordinary shares only, a reopening period was scheduled from 5 October to 11 October 2023.

At the end of the PTOs, 124,701,128 Ordinary Shares, 1,035,243 Savings Shares and 65,331,392 Warrants were purchased, corresponding respectively to 79.58%, 7.49% and 83.58% of the securities subject to offer. Also considering 145,778,198 Ordinary Shares held by Quattrodue, at the Payment Date following the Reopening of the Terms, KME held a total of 277,416,637 Ordinary Shares, equal to 89.66% of the class capital. This percentage fell to 88.71% following the results of the Warrant Public Exchange Offer and the exercise of Warrants subsequent to the PTOs.

From 19 February to 8 March 2024, a Public Exchange Offer carried out on Warrants (“Warrant Public Exchange Offer”) made it possible to purchase a total of 76,545,610 Warrants, of which 73,680,892 owned by the majority shareholder Quattrodue SpA. As a result of the Warrant Public Exchange Offer and the exercise of Warrants in March, there are now 6,256,550 outstanding Warrants with expiry date on 28 June 2024.

The Company announced that, following the PTOs, the delisting would also be pursued through its reverse merger into KMH (the “Merger for delisting”), in any case postponing the passing of related resolutions after the financial data for the financial year ended as at 31 December 2023 is available, for a more complete understanding of recent market trends.

Therefore, the timing of the transaction is currently being assessed, also considering the extraordinary transactions involving KME SE and so it will be effective in any case after 28 June 2024, the deadline for the Warrants exercise, after which they will lose all rights and will have no value for any purpose.

## **(ii) Copper sector**

In this area, also in 2023, transactions were carried out in order to implement the KME SE group's strategy of concentrating on copper and copper alloy rolled products, in which the group is the European leader and in which it intends to focus its energy and grow in the future, given the attractive growth rates expected for the main reference markets.

In June 2023, following the fulfilment of the conditions precedent set out in the agreement, KME SE executed the agreement signed with Golden Dragon Precise Copper Tube Group Inc., regarding the sale of its 50% share of the joint venture KMD (HK) Holdings Limited and the purchase of 100% of the shares of KMD Connectors Stolberg GmbH. The execution of the transaction, as provided for in the contract signed in December 2022, allowed the net collection of approximately USD 53 million, of which approximately USD 43 million related to the purchase and sale of the interests and the payment of commercial positions, and USD 10 million for the repayment of loans in place (already included in the net financial position).

In July 2023 KME SE and S.A. Eredi Gnutti Metalli S.p.A. (“EGM”) signed and executed a purchase and sale contract for the repurchase by KME SE of the 16% of KME Italy S.p.A. (“KI”) held by EGM. EGM had actually transferred the rolled business to KI in June 2021, becoming the owner of a minority shareholding of 16%. The transaction, which involves the total repurchase of the interest for a consideration equal to Euro 22.5 million - of which Euro 8.4 million paid at closing and the remaining part over the following twenty-four months - represents the last step of the process launched in 2021 for the integration of EGM's rolled activities into those of KI.

In February 2024, a Business Combination Agreement (“BCA”) was signed jointly with Paragon and SDCL EDGE Acquisition Corporation (“SEDA”), a special purpose acquisition company (“SPAC”) with securities listed on the NYSE, which involves the special products business of cunova GmbH (“cunova”), in which KME SE currently indirectly holds 45%. This BCA follows a non-binding letter of intent signed in August 2023 and envisages that cunova will be acquired indirectly by a listed entity, taking over from SEDA.

KME SE will also further increase its interest in the Combined Company due to the transfer of its aerospace business (“KME Aerospace”), a leading engineering business operator providing high tolerance copper alloys components to the main operators in the aerospace industry. Upon completion of the transaction, KME SE will hold a controlling interest in the share capital of the Combined Company listed on the NYSE and will receive liquidity of USD 20 million. On the other hand, Paragon will completely exit the cunova investment against a cash price and a vendor loan. The completion of the Business Combination, expected in the second quarter of 2024, is subject to various conditions precedent which include, among others, the attainment of all the necessary regulatory approvals, the approval by the shareholders' meeting of SEDA, the presence of minimum liquidity at closing of USD 140 million, the refinancing of cunova's current debt as well as the presentation of Form F-4 to the U.S. Securities and Exchange Commission (“SEC”) and the subsequent declaration of effectiveness of the Business Combination by the SEC.

Again in February 2024, KME SE also signed a contract relating to the acquisition of 100% of the shares of Blackhawk Holding GmbH, a German holding company that holds 100% of Sundwiger Messingwerk GmbH (“Transaction”). Sundwiger Messingwerk GmbH (“SMW”) is a European leader in the sector of semi-finished rolled bronze products as well as a manufacturer of semi-finished rolled brass products. With around 320 employees in Hemer (Rheinland), where the headquarters and the main plant are located, in 2022 SMW achieved a turnover of around Euro 245 million and an EBITDA of around Euro 16 million. Historically part of the Diehl Group, SMW was acquired about three years ago by a group of investors gathered in the company Blackhawk Holding GmbH, now acquired by KME SE. The expected acquisition price will be approximately Euro 62 million (including the metal stock) and will be paid for Euro 41 million at closing and for the remainder through a three-year interest-free vendor loan. The Transaction will be financed through own sources as regards the equity and with a third-party loan for the working capital. Scheduled for mid-2024, the Transaction closing is subject to the fulfilment of certain conditions precedent, including the approval by the competent antitrust authorities.

Revenues from sales amounted to Euro 1,858.00 million (-10.8% compared to 2022 on a like-for-like basis<sup>1</sup>), while those net of the value of raw materials totalled Euro 585.6 million (+20.6% compared to 2022, again on a like-for-like basis). This performance allowed for a significant improvement in EBITDA, up to Euro 135.5 million compared to Euro 112.6 million in the previous year.

The collections of the extraordinary transactions described above have allowed a significant improvement in the net financial position of KME SE (from Euro 102.4 million as at 31 December 2022 to Euro 72.2 million as at 31 December 2023).

### **(iii) CULTI Milano SpA**

In 2023, at Group level, CULTI Milano SpA saw a marginal reduction in consolidated revenues (-2.1%), mainly due to a negative sales performance in Great China, because to the effects of the lockdown policies of the first part of the year and to a substantial slowdown in on-line sales made by T-Mall (Alibaba Group), which constituted the predominant part of turnover on that market. Going from Euro 5.1 million to Euro 4.1 million, EBITDA was influenced by the sales performance and the effect of investments in human resources and marketing in terms of “brand awareness”.

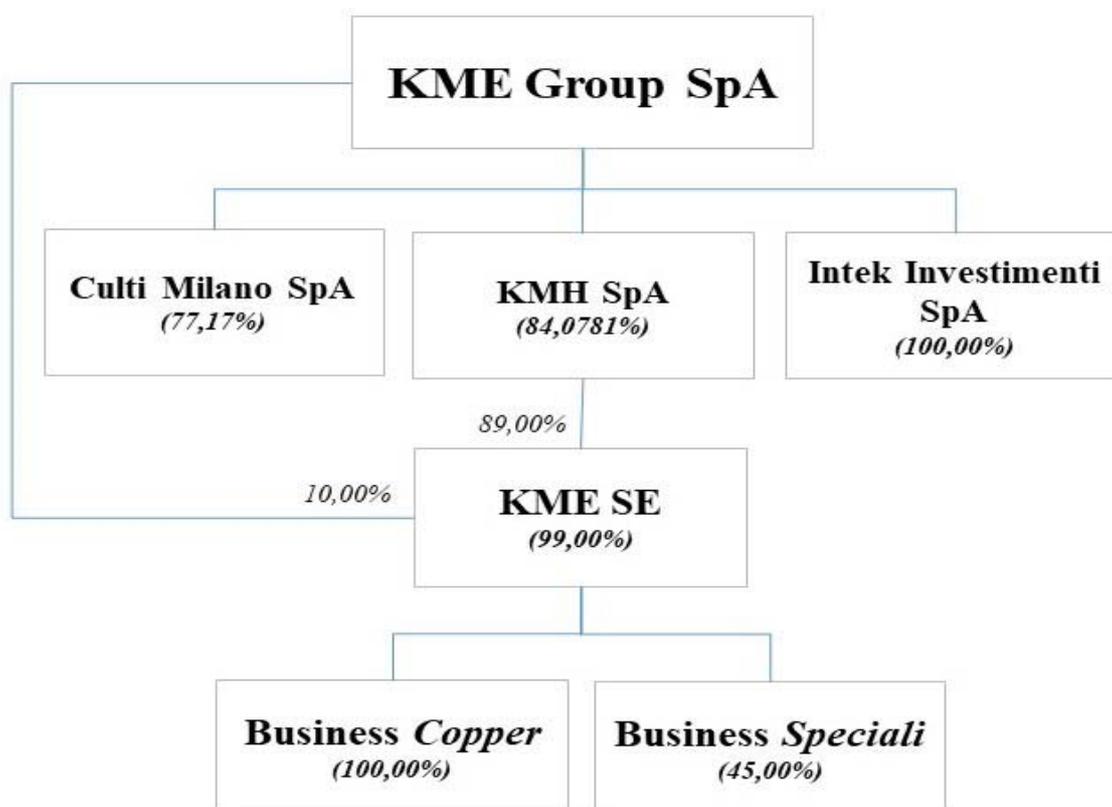
In February 2023, Culti Milano acquired the remaining stake of Scent Company, of which it already held 51%.

\* \* \*

---

<sup>1</sup> (\*) The comparative income statement data have been restated following the inclusion of the accounting items relating to the entities whose original values as at 31 December 2022 were included in the “Profit (loss) from discontinued operations” and which as from 1 January 2023 were included in the consolidation area

## Summary of the Group's corporate structure as at 31 December 2023



KME Group SpA held the following main participations as at 31 December 2023:

- *KMH SpA*: newco established in April 2022 under the name of KME Group Srl, to which 89% of the interest in KME SE and 100% of the interest in KME Germany Bet. GmbH were transferred, partly through contribution and partly through sale. The latter, whose role was that of general partner/administrator of KME Real Estate GmbH & Co. KG, the company that owns the Osnabrück plant (Germany), which is the historic production site of KME SE, was merged by incorporation into KME SE in August 2023;
- *KME SE*: company heading a global leading group in the production and marketing of semi-finished products in copper and its alloys focused on the *Copper* sector, following the transfer of control of the *special products business* (now headed by the company *cunova GmbH*), in which it retains a 45% stake. From 2023, as part of the agreements for the sale of its shares in the Chinese joint venture KMD, KME SE took control of the activities of KMD Connectors Stolberg GmbH;
- *CULTI Milano SpA*: company listed on the Euronext Growth Market, increasingly geared towards personal well-being, in addition to the consolidation of its traditional business in the environmental fragrance segment;
- *Intek Investimenti SpA*: corporate vehicle in which the investment and private equity activities of the Company have been concentrated in the last few years.

On 24 November 2023, the Company sold its non-controlling interest held in Ducati Energia SpA, represented by 443,000 special class B shares, equal to 6.77% of its share capital and 100% of the special class capital, to the same Ducati Energia, for a consideration of Euro 7.0 million already collected at the closing date. The sale agreement provide for an earn-out of Euro 3.0 million if, by 31 December 2024, (i) the financial instruments issued by Ducati Energia are admitted to multilateral electronic trading on regulated markets, or (ii) the control of the company is sold to third parties, by any means, but with the exclusion of transfer through inheritance.

\* \* \*

## Group results

With reference to the comparative data of 2022, it should be noted that the new strategic process announced by the Company on 22 April 2022 has rendered the exception to the consolidation set forth in IFRS 10 for investment entities no longer applicable, with the subsequent obligation of line-by-line consolidation of controlling interests to be carried out prospectively from the date on which the change of status is verified.

Therefore, the consolidated financial statements as at 31 December 2022 included eight months of activities of the consolidated subsidiaries and so, the comparison of the 2023 financial year data with that of the corresponding period of the previous year is not fully representative of the Group's management performance.

The consolidated net invested capital can be analysed as follows:

<b>Consolidated net invested capital</b>			
<i>(in Euro thousand)</i>		<i>31 Dec 2023</i>	<i>31 Dec 2022</i>
Net non-current assets		1,080,728	1,115,405
Net working capital		(178,949)	(114,067)
Net deferred tax		(24,745)	(29,274)
Provisions		(148,928)	(134,996)
<b>Net invested capital</b>		<b>728,106</b>	<b>837,068</b>
Total equity		358,815	569,537
Net financial position		369,291	267,531
<b>Sources of finance</b>		<b>728,106</b>	<b>837,068</b>

The Group's financial debt as at 31 December 2023, compared to 31 December 2022, can be broken down as follows:

<b>Financial debt</b>			
<i>(in Euro thousand)</i>		<i>31 Dec 2023</i>	<i>31 Dec 2022</i>
A	Cash and cash equivalents	118,609	128,844
B	Cash equivalents	-	-
C	Other financial assets	94,012	109,829
<b>D</b>	<b>Cash and cash equivalents (A+B+C)</b>	<b>212,621</b>	<b>238,673</b>
E	Current financial debt	67,820	45,584
F	Current portion of non-current financial debt	59,466	63,871
<b>G</b>	<b>Current financial debt (E+F)</b>	<b>127,286</b>	<b>109,455</b>
<b>H</b>	<b>Net current financial debt (G-D)</b>	<b>(85,335)</b>	<b>(129,218)</b>
I	Non-current financial debt	223,916	240,758
J	Debt instruments	230,710	155,991
K	Trade payables and other non-current payables	-	-
<b>L</b>	<b>Non-current financial debt (I + J + K)</b>	<b>454,626</b>	<b>396,749</b>
<b>M</b>	<b>Total financial debt (H + L)</b>	<b>369,291</b>	<b>267,531</b>

Total financial debt includes a total of Euro 107.9 million (Euro 103.5 million as at 31 December 2022) of financial liabilities deriving from the application of IFRS 16 and from the sale and lease back transaction on KME SE's Osnabrück property.

\* \* \*

## KME Group SpA financial highlights

KME Group SpA's financial highlights as at 31 December 2023, compared to 31 December 2022, can be summarised as follows:

<b>Condensed separate statement of financial position</b>				
<i>(in Euro thousand)</i>	<i>31 Dec 2023</i>		<i>31 Dec 2022</i>	
<i>KME SE interest</i>	58,410		58,410	
<i>KMH interest</i>	480,000		480,000	
<i>Receivables from KMH</i>	-		43,723	
<i>Other</i>	(141)		2,528	
<b>Total KME</b>	<b>538,269</b>	<b>91.07%</b>	<b>584,661</b>	<b>89.47%</b>
Culti Milano	37,988	6.43%	37,980	5.81%
Ducati Energia	-	0.00%	16,700	2.56%
Intek Investimenti	13,518	2.29%	12,694	1.94%
Other investments	1,774	0.30%	2,070	0.32%
Other assets/liabilities	(468)	-0.08%	(660)	-0.10%
<b>Net investments</b>	<b>591,081</b>	<b>100.00%</b>	<b>653,445</b>	<b>100.00%</b>
Outstanding bonds (*)	160,616		160,469	
Loan for PTOs	115,186		-	
Net cash	17,701		(1,316)	
<b>Holding company net financial debt</b>	<b>293,503</b>	<b>49.66%</b>	<b>159,153</b>	<b>24.36%</b>
<b>Total equity</b>	<b>297,578</b>	<b>50.34%</b>	<b>494,292</b>	<b>75.64%</b>

Notes:

- *Interests are expressed net of any outstanding Company's financial receivables/payables.*

*(\*) Including accruing interest.*

\* \* \*

### Investments

The net investments held by the Company amounted to Euro 591.1 million as at 31 December 2023 (Euro 653.4 million at the end of 2022), of which around 90% concentrated in KME SE.

### Equity

The holding company's equity amounted to Euro 297.6 million, compared to Euro 494.3 million as at 31 December 2022; the most significant change is related to the effects of the Public Tender Offers (Euro 171.3 million, also including transaction costs).

## Debt

The Parent Company's financial debt as at 31 December 2023, compared to 31 December 2022, can be broken down as follows:

<b>Financial debt</b>		
<i>(in Euro thousand)</i>	<i>31 Dec 2023</i>	<i>31 Dec 2022</i>
A Cash and cash equivalents	3,214	508
B Cash equivalents	-	-
C Other financial assets	24,803	66,294
<b>D Cash and cash equivalents (A+B+C)</b>	<b>28,017</b>	<b>66,802</b>
E Current financial debt	37,749	25,191
F Current portion of non-current financial debt	10,521	587
<b>G Current financial debt (E+F)</b>	<b>48,270</b>	<b>25,778</b>
<b>H Net current financial debt (G-D)</b>	<b>20,253</b>	<b>(41,024)</b>
I Non-current financial debt	-	2,026
J Debt instruments	156,139	155,991
K Trade payables and other non-current payables	117,423	-
<b>L Non-current financial debt (I + J + K)</b>	<b>273,562</b>	<b>158,017</b>
<b>M Total financial debt (H + L)</b>	<b>293,815</b>	<b>116,993</b>

The reclassified income statement, in a format including sub-totals, shows the formation of the net profit (loss) for the year by indicating the figures commonly used to provide a summary representation of business results.

It should be noted that, following the aforementioned change in strategy in April 2022 and the consequent method of preparing the financial statements with the abandonment of the fair value measurements of equity investments, the results of 2023 are not immediately comparable with those of the previous year.

<b>Reclassified income statement</b>		
<i>(in Euro thousand)</i>	<i>2023</i>	<i>2022</i>
Fair value changes and other gains/losses from investment management	796	10,290
Investment management costs	(177)	(105)
<b>Gross profit/(loss) from investments</b>	<b>619</b>	<b>10,185</b>
Guarantee fees assets (a)	859	862
Net operating costs (b)	(5,675)	(5,420)
<i>Overheads (a) - (b)</i>	<i>(4,816)</i>	<i>(4,558)</i>
<b>Reclassified operating profit</b>	<b>(4,197)</b>	<b>5,627</b>
<b>Net financial expense</b>	<b>(8,524)</b>	<b>(3,239)</b>
<b>Profit before tax and non-recurring items</b>	<b>(12,721)</b>	<b>2,388</b>
Non-recurring income/(expenses)	(3,653)	1,946
<b>Profit before tax</b>	<b>(16,374)</b>	<b>4,334</b>
Taxes for the year	1,826	840
<b>Net profit (loss) for the period</b>	<b>(14,548)</b>	<b>5,174</b>

\* \* \*

## **Business outlook**

The business outlook will be correlated to the trend in demand of the KME SE's reference sectors and therefore it will be functional also in terms of the wider macro-economic dynamics.

However, the market economic trend recorded in 2023 does not prejudice the sector performance estimates on which the New Strategy assumptions are based.

There also remains a possibility for the Parent Company and the entire Group to benefit from the development of other participations or non-core activities in the copper sector, through disposal. If realised, these disposals could have a positive impact on the Group's debt.

\* \* \*

## **Approval of the 2023 Consolidated Disclosure of Non-Financial Information**

In compliance with the provisions of Article 5, paragraph 3, letter b of Italian Legislative Decree 254/2016, KME Group has prepared a Consolidated Disclosure of Non-Financial Information, which is a separate report on the Group's activities and performance in the area of environmental and social issues, including the governance policies adopted, disclosing the objectives of the Group Sustainability Plan.

The 2023 Consolidated Disclosure of Non-Financial Information will be published on the Company's website within the legal deadlines.

\* \* \*

## **Notice of Shareholders' Meeting**

The Board of Directors has delegated the Chairman and the Deputy Chairpersons, severally, to call the Shareholders' Meeting of the Company for 22 May 2024 in first call and for 23 May 2024 in second call, to resolve on the 2023 financial statements and the proposal for allocation of the financial year's result, as well as on the report on remuneration pursuant to Article 123-ter of the Consolidated Law on Finance (TUF), the appointment of the new management and control bodies and the authorisation for the purchase and disposal of treasury shares.

The Shareholders' Meeting will be also called in extraordinary session to resolve on the amendment of the resolutions passed by the Shareholders' Meeting of 12 June 2023, which provided for the cancellation of all the ordinary shares purchased through the PTO.

\* \* \*

## **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 from 1 January 2021, in application of the principles and recommendations set forth in Article 2 of the Code, the Board of Directors assessed the independence of non-executive directors and of the members of the control body, confirming that the independence requirements were met by the directors Francesca Marchetti, Luca Ricciardi and Laura Cattaneo and by 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.

\* \* \*

*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 (TUF, Italian Legislative Decree no. 58/1998), the accounting information contained in this press release corresponds to the company's documents, books, and accounting records.*

\* \* \*

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: +39 02-806291; email: [info@itk.it](mailto:info@itk.it)) and on the “eMarket STORAGE” system at [www.emarketstorage.it](http://www.emarketstorage.it).

Annexes:

- 1) KME Group SpA Statement of financial position;
- 2) KME Group SpA Statement of profit or loss and other comprehensive income;
- 3) Consolidated Statement of financial position;
- 4) Consolidated Statement of profit or loss and other comprehensive income.

## Annex 1) KME Group – Separate financial statements as at 31 December 2023

### Statement of financial position - Assets

<i>(in Euro)</i>	<i>31-Dec-23</i>	<i>31-Dec-22</i>
Interests in subsidiaries	587,631,631	587,631,631
Interests in other companies	222,003	16,922,003
Non-current financial assets	640,555	10,641
Property, plant and equipment	3,011,306	3,251,257
Investment property	32,289	32,289
Intangible assets	8,184	9,899
Other non-current assets	2,961	2,961
Deferred tax assets	2,022,730	2,093,098
<b>Total non-current assets</b>	<b>593,571,659</b>	<b>609,953,779</b>
Current financial assets	25,625,718	67,070,610
Trade receivables	1,971,170	5,421,291
Other receivables and current assets	2,747,390	1,719,379
Cash and cash equivalents	3,213,973	508,479
<b>Total current assets</b>	<b>33,558,251</b>	<b>74,719,759</b>
<b>Total Assets</b>	<b>627,129,910</b>	<b>684,673,538</b>

*Note As things currently stand, the auditing of the financial statements has not yet been completed.*

## KME Group - Separate financial statements as at 31 December 2023

### Statement of financial position - Liabilities

<i>(in Euro)</i>	<i>31-Dec-23</i>	<i>31-Dec-22</i>
Share capital	200,104,709	200,070,088
Other reserves	233,581,491	288,555,772
Treasury shares	(126,834,394)	(2,133,266)
Retained earnings	1,603,038	-
Stock option reserve	3,670,921	2,624,934
Profit/(loss) for the year	(14,547,728)	5,173,722
<b>Total equity</b>	<b>297,578,037</b>	<b>494,291,250</b>
Retirement benefits	454,969	428,952
Deferred tax liabilities	694,363	851,870
Non-current financial payables and liabilities	117,422,629	2,026,521
Bonds	156,139,064	155,991,336
Provisions for risks and charges	768,821	-
<b>Total non-current liabilities</b>	<b>275,479,846</b>	<b>159,298,679</b>
Current financial payables and liabilities	49,092,603	26,555,437
Trade payables	3,263,966	1,989,201
Other current liabilities	1,715,458	2,538,971
<b>Total current liabilities</b>	<b>54,072,027</b>	<b>31,083,609</b>
<b>Total liabilities and equity</b>	<b>627,129,910</b>	<b>684,673,538</b>

*Note As things currently stand, the auditing of the financial statements has not yet been completed.*

## Annex 2) KME Group – Separate financial statements as at 31 December 2023

### Income statement and statement of comprehensive income

<i>(in Euro)</i>	2023	2022
Net income from management of interests	238,872	10,090,137
Commissions on guarantees issued	859,038	862,134
Other income	1,031,842	5,513,796
Personnel cost	(2,527,533)	(2,129,532)
Depreciation, amortisation, impairment and write-downs	(659,008)	(672,941)
Other operating costs	(6,679,536)	(6,220,592)
<b>Operating profit/(loss)</b>	<b>(7,736,325)</b>	<b>7,443,002</b>
Financial income	4,457,823	2,922,780
Financial expense	(13,095,717)	(6,032,253)
<i>Net financial expense</i>	<i>(8,637,894)</i>	<i>(3,109,473)</i>
<b>Profit/(loss) before taxes</b>	<b>(16,374,219)</b>	<b>4,333,529</b>
Current taxes	1,739,350	139,972
Deferred taxes	87,141	700,221
<b>Total income taxes</b>	<b>1,826,491</b>	<b>840,193</b>
<b>Profit/(loss) from continuing operations</b>	<b>(14,547,728)</b>	<b>5,173,722</b>
Profit /(loss) from discontinuing operations	-	-
<b>Net profit/(loss) for the year</b>	<b>(14,547,728)</b>	<b>5,173,722</b>
Other comprehensive income:		
<i>Measurement of employee defined benefits</i>	6,849	25,092
<i>Fair value result</i>	(9,700,000)	-
<i>Taxes on other comprehensive income</i>	-	-
Items that will not be reclassified to profit or loss	(9,693,151)	25,092
Items that may be reclassified to profit or loss	-	-
Other comprehensive income:	(9,693,151)	25,092
<b>Total comprehensive income for the year</b>	<b>(24,240,879)</b>	<b>5,198,814</b>

*Note As things currently stand, the auditing of the financial statements has not yet been completed.*

## Annex 3) KME Group – Consolidated financial statements as at 31 December 2023

### Statement of financial position - Assets

<i>(in Euro thousand)</i>	<i>31-Dec-23</i>	<i>31-Dec-22</i>
Property, plant and equipment	529,206	499,957
Investment property	66,724	68,175
Goodwill	394,833	370,316
Intangible assets	50,430	53,748
Interests in subsidiaries	18,126	23,281
Equity-accounted interests	13,977	76,654
Interests in other companies	884	17,405
Other non-current assets	4,870	3,106
Non-current financial assets	3,167	3,245
Deferred tax assets	82,751	88,478
<b>Total non-current assets</b>	<b>1,164,968</b>	<b>1,204,365</b>
Inventories	374,179	404,903
Trade receivables	55,158	95,359
Current financial assets	94,284	110,101
Other receivables and current assets	26,465	16,675
Cash and cash equivalents	118,609	128,844
<b>Total current assets</b>	<b>668,695</b>	<b>755,882</b>
Non-current assets held for sale	11,947	107,198
<b>Total Assets</b>	<b>1,845,610</b>	<b>2,067,445</b>

*Note As things currently stand, the auditing of the financial statements has not yet been completed.*

## KME Group – Consolidated financial statements as at 31 December 2023

### Statement of financial position - Liabilities

<i>(in Euro thousand)</i>	<i>31-Dec-23</i>	<i>31-Dec-22</i>
Share capital	200,105	200,070
Profit/(loss) for the period	96,573	334,921
<b>Group equity</b>	<b>296,678</b>	<b>534,991</b>
Non-controlling interests	62,137	34,546
<b>Total equity</b>	<b>358,815</b>	<b>569,537</b>
Retirement benefits	126,639	127,588
Deferred tax liabilities	107,496	117,752
Non-current financial payables and liabilities	223,916	240,758
Bonds	230,710	155,991
Other non-current liabilities	1,489	482
Provisions for risks and charges	6,168	3,543
<b>Total non-current liabilities</b>	<b>696,418</b>	<b>646,114</b>
Current financial payables and liabilities	127,286	109,455
Trade payables	551,180	540,725
Other current liabilities	95,790	129,280
Provisions for risks and charges	16,121	3,865
<b>Total current liabilities</b>	<b>790,377</b>	<b>783,325</b>
Non-current assets held for sale	-	68,469
<b>Total liabilities and equity</b>	<b>1,845,610</b>	<b>2,067,445</b>

*Note As things currently stand, the auditing of the financial statements has not yet been completed.*

## Annex 4) KME Group – Consolidated financial statements as at 31 December 2023

### Income statement and statement of comprehensive income

<i>(in Euro thousand)</i>	2023	2022*
Revenues from sales and services	1,880,532	1,464,736
Change in inventories of finished and unfinished products	(876)	55,816
Own work capitalised	1,463	375
Other income	25,411	10,775
Purchases and change in raw materials	(1,317,919)	(1,166,514)
Personnel cost	(234,083)	(136,483)
Depreciation, amortisation, impairment and write-downs	(57,562)	(50,252)
Other operating costs	(264,124)	(178,333)
<b>Operating profit/(loss)</b>	<b>32,842</b>	<b>120</b>
Financial income	14,698	51,591
Financial expense	(85,649)	(35,962)
<i>Net financial expense</i>	<i>(70,951)</i>	<i>15,629</i>
Result of equity investments	(8,388)	(195)
<b>Profit/(loss) before taxes</b>	<b>(46,497)</b>	<b>15,554</b>
Current taxes	(2,149)	(6,903)
Deferred taxes	2,167	26,807
<b>Total income taxes</b>	<b>18</b>	<b>19,904</b>
<b>Net profit (loss) for the period from operating activities</b>	<b>(46,479)</b>	<b>35,458</b>
Profit (loss) from discontinued operations	-	-
<b>Net profit (loss) for the period</b>	<b>(46,479)</b>	<b>35,458</b>
Other comprehensive income:		
<i>Measurement of employee defined benefits</i>	<i>(4,734)</i>	<i>16,053</i>
<i>Taxes on other comprehensive income</i>	<i>1,752</i>	<i>(4,120)</i>
<i>Fair value measurements</i>	<i>(9,700)</i>	<i>-</i>
<b>Items that cannot be reclassified to profit or loss for the period</b>	<b>(12,682)</b>	<b>11,933</b>
<i>Foreign currency translation gains/(losses)</i>	<i>(1,572)</i>	<i>1,506</i>
<i>Net change in cash flow hedge reserve</i>	<i>(151)</i>	<i>694</i>
<i>Taxes on other comprehensive income</i>	<i>64</i>	<i>(149)</i>
<b>Items that may be reclassified to profit or loss for the period</b>	<b>(1,659)</b>	<b>2,051</b>
<b>Total other comprehensive income, net of tax effect</b>	<b>(14,341)</b>	<b>13,984</b>
<b>Total comprehensive income for the period</b>	<b>(60,820)</b>	<b>49,442</b>
<i>Net profit (loss) for the period attributable to:</i>		
<i>- non-controlling interests</i>	<i>(6,144)</i>	<i>2</i>
<i>- shareholders of the parent company</i>	<i>(40,335)</i>	<i>35,456</i>
<b>Net profit (loss) for the period</b>	<b>(46,479)</b>	<b>35,458</b>
Total comprehensive income attributable to:		
<i>- non-controlling interests</i>	<i>(6,677)</i>	<i>824</i>
<i>- shareholders of the parent company</i>	<i>(54,143)</i>	<i>48,618</i>
<b>Total comprehensive income for the period</b>	<b>(60,820)</b>	<b>49,442</b>

Note As things currently stand, the auditing of the financial statements has not yet been completed.

(\*) The comparative income statement data have been restated following the inclusion of the accounting items relating to the entities whose original values as at 31 December 2022 were included in the "Profit (loss) from discontinued operations" and which as from 1 January 2023 were included in the consolidation area