



KME Group S.p.A.

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Share capital EUR 200,154,177.66

Tax Code and Milan Companies Register no. 00931330583

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PRESS RELEASE

NEW PUBLIC SUBSCRIPTION OFFER OF “KME GROUP S.P.A. 2024-2029” BONDS, WHICH WILL BE DISTRIBUTED EXCLUSIVELY THROUGH THE MOT (ELECTRONIC BOND MARKET).

**NEW PARTIAL VOLUNTARY PUBLIC EXCHANGE OFFER CONCERNING
“KME GROUP S.P.A. 2020-2025” BONDS**

- **On 26 September 2024, following the issue on 2 August 2024 of the “KME Group S.p.A. 2024-2029” bonds (the “2024 Bonds”), with a nominal unit value of EUR 1.00 listed on the MOT, the Board of Directors of KME Group S.p.A. approved a transaction that involves, through the reopening of this issue, the promotion of:**
 - **a new public subscription offer of the 2024 Bonds for an amount of EUR 70.5 million, which may be increased up to a maximum of EUR 115.9 million;**
 - **a new partial voluntary public exchange offer on no. 2,103,673 “KME Group S.p.A. 2020–2025” bonds (representing 70% of the outstanding bonds), with a nominal unit value of EUR 21.60, in circulation, with consideration represented by up to no. 45,439,272 new 2024 Bonds, for a total of EUR 45.4 million.**
- **The maximum aggregate principal amount of the 2024 Bonds serving the offers will be 115.9 million, as part of the bond issue for a maximum of EUR 200 million approved on 20 May 2024.**
- **The newly issued 2024 Bonds will have the same characteristics as those already issued and thus, among other things, will accrue interest on an annual basis of 5.75%.**

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The new operation aims to complete the collection of debt resources initiated with the two previous offers carried out in July 2024 and therefore to allow the Company to extend the average maturity of the debt and maintain liquidity at a balanced level.

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Milan, 26 September 2024 – It is announced that today the Board of Directors of KME Group S.p.A. (“KME” or the “Issuer”), with the support of the *advisor* Equita SIM S.p.A., has approved an operation involving the promotion of:

- **a new public subscription offer of KME Group 2024-2029 Bonds (the “2024 Bonds”), with a nominal unit value of EUR 1.00, for an amount of EUR 70.5 million, which may be increased up to a maximum of EUR 115.9 million. (the “New Subscription Offer”);**

- a new partial voluntary public exchange offer on no. 2,103,673 KME Group 2020–2025 Bonds (the “**2020 Bonds**”), with a nominal unit value of EUR 21.60, in circulation, with consideration represented by up to no. 45,439,272 new 2024 Bonds for a total of EUR 45.4 million that will be listed on the MOT (the “**New Bond Exchange Offer**” and, together with the New Subscription Offer, also the “**New Offers**”). The New Bond Exchange Offer will therefore involve 70% of the 2020 Bonds in circulation.

Therefore, the Issuer intends to proceed, serving the New Offers, with the reopening of the issue of the “KME Group S.p.A. 2024-2029” bonds intended for listing on the MOT, represented by up to no. 115,896,120 bonds with a nominal unit value of EUR 1.00, of which:

- (i) a maximum of no. 45,439,272 new 2024 Bonds to be offered for exchange to holders of 2020 Bonds participating in the New Bond Exchange Offer;
- (ii) between a minimum of no. 70,456,848 and a maximum of no. 115,896,120 new 2024 Bonds subject to the New Subscription Offer, depending on the level of acceptance of the New Bond Exchange Offer.

The offered bonds will be fully fungible with the bonds of the “KME Group S.p.A. 2024-2029” loan, constituting a single series of bonds, with the same ISIN IT0005597874 and admitted to trading on the MOT. The maximum amount of the new bond issue will therefore be equal to EUR 115.9 million.

The 2024 Bonds will mature on 2 August 2029 and accrue interest at a fixed nominal annual rate of 5.75%.

Starting from the end of the second year from the issue date, KME will have the right to fully or partially redeem the 2024 Bonds. The redemption price of the 2024 Bonds (without prejudice to the payment of interest accrued and unpaid up to the early redemption date) will be equal to:

- (i) from the end of the second year, 102% of the portion of the nominal value being redeemed;
- (ii) from the end of the third year, 101% of the portion of the nominal value being redeemed; and
- (iii) from the end of the fourth year, 100% of the portion of the nominal value being redeemed.

The 2024 Bonds that are the subject of the New Subscription Offer – which the Issuer intends to carry out concurrently with the New Bond Exchange Offer – will be offered to the general public and qualified investors and distributed exclusively through the MOT.

1. Public subscription offer of bonds

The New Subscription Offer will be addressed to the general public in Italy and to qualified investors and will have a total amount equal to EUR 70,456,848.00 (corresponding to a maximum of no. 70,456,848 new 2024 Bonds), that may be increased by the Issuer up to EUR 115,896,120.00 (corresponding to a maximum of no. 115,896,120 new 2024 Bonds), depending on the level of acceptance of the New Bond Exchange Offer.

The 2024 Bonds offered for subscription will have a nominal unit value of EUR 1.00, will mature on 2 August 2029 and will accrue interest at the nominal fixed annual rate of 5.75%, with annual interest payment in arrears. To the adherents to the New Subscription Offer will be charged the accrued interest on the 2024 Bonds up to the settlement date of the Consideration.

The issue price of the 2024 Bonds offered for subscription will be determined by the Issuer close to the start of the offering period, taking into account prevailing market conditions.

On the settlement date, the newly issued 2024 Bonds will be issued and listed on the MOT. The 2024 Bonds are not backed by collateral or personal guarantees. No *rating* has been assigned to the 2024 Bonds, nor is it expected that one will be assigned.

The New Subscription Offer will be subject to conditions in line with market practice.

Equita SIM S.p.A. will act as the operator responsible for presenting the sale proposals on the MOT pursuant to Article 2.4.3, paragraph 7 of the rules of the markets organized and managed by Borsa Italiana S.p.A.

2. Partial voluntary public exchange offer on bonds

The New Bond Exchange Offer promoted by KME concerns no. 2,103,673 2020 Bonds, with a nominal unit value of EUR 21.60, representing 70% of the 2020 Bonds still in circulation and listed on the MOT.

The Issuer will recognize each participant to the New Bond Exchange Offer no. 108 new 2024 Bonds, with a nominal value of EUR 1.00 each, so for a total nominal value of EUR 108.00, every n. 5 2020 Bonds with a total nominal value of EUR 108.00 tendered into and purchased (the “**Consideration for the 2020 Bonds**”), for a total nominal value of up to approximately EUR 45.4 million, corresponding to a **premium of 0.29%** determined as the ratio between the nominal value of the 2024 Bonds and the price of the 2020 Bonds based on the prices of the last three months.

Regarding the 2020 Bonds tendered into the New Bond Exchange Offer, the accrued interest up to the settlement date of the Consideration for the 2020 Bonds will also be paid, while the accrued interest up to the settlement date of the Consideration for the 2024 Bonds will be charged.

The offered bonds will be fully fungible with the bonds of the “KME Group S.p.A. 2024-2029” loan already in circulation, constituting a single series of bonds with the same ISIN IT0005597874 and admitted to trading on the MOT.

The 2024 Bonds offered in exchange will mature on 2 August 2029 and will accrue interest at a fixed nominal annual rate of 5.75%, with annual interest payment in arrears.

On the exchange date, the 2024 Bonds will be issued and listed on the MOT. The 2024 Bonds are not backed by collateral or personal guarantees. No *rating* has been assigned to the 2024 Bonds, nor is it expected that one will be assigned.

The 2020 Bonds tendered into the New Bond Exchange Offer and purchased by the Issuer will be cancelled pursuant to Article 6 of the “*KME Group S.p.A. 2020 – 2025*” Bond Loan Regulation.

The New Bond Exchange Offer will therefore have the same terms and conditions as the previous (totalitarian in nature) offer promoted on 20 May 2024 and carried out in July 2024.

Equita SIM S.p.A. will act as the intermediary assigned to coordinate the collection of the adhesions.

The New Bond Exchange Offer will be promoted with an exemption from the application of laws and regulations on public tender and exchange offers pursuant to article 101-bis, paragraph 3-bis of the

Consolidated Law on Finance (TUF) and in compliance with Article 35-bis, paragraph 4 of the Issuers' Regulations.

3. Reasons for the new operation

The new operation, as the previous one, is generally aimed at allowing the Company to extend the average maturity of its debt and maintain liquidity at a balanced level.

Specifically, the reopening of the "KME Group 2024-2029" bond issue originates from the results of the previous subscription offer, from the interest shown by investors in these securities on the secondary market and from the foreseeable evolution of interest rates.

Lastly, the New Bond Exchange Offer intends to offer to the 2020 Bonds holders an additional opportunity to exchange their securities closer to the maturity of the bonds held (18 February 2025).

As a result of the New Offers, the "KME Group 2024 – 2029" bond loan will be of a maximum amount of EUR 200.0 million.

4. Indicative timeline of the transactions

Subject to obtaining the necessary authorisations, the New Subscription Offer and the New Bond Exchange Offer – which the Issuer intends to carry out simultaneously – are expected to take place in November 2024.

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The press release is available on the website www.itkgroup.it, where you could request information directly to the Company (phone: +39 02-806291; email: info@itk.it) and on the authorised "eMarket Storage" system at www.emarketstorage.it.