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**KEDRION GROUP**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT 30 JUNE 2019**

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**KEDRION S,P,A,**

Joint-stock company

Fully paid-up share capital Euro 55,186,279,00

Registered office: Località Ai Conti - 55051 BARGA (LU) – frazione Castelvecchio Pascoli

Production facility: 55027 GALLICANO (LU) – frazione Bolognana  
80029 SANT'ANTIMO (NA)

Tax Code – VAT No, – Reg, Of Companies of Lucca No, 01779530466

Economic & Administrative Index No, 170535

**KEDRION Group**

Registered office in LOC, AI CONTI - 55051 CASTELVECCHIO PASCOLI (LU)

Fully paid-up share capital Euro 55,186,279

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(In thousands of Euro)	<b>30.06.2019</b>	<b>31.12.2018</b>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	335,385	266,038
Investment property	2,297	2,327
Goodwill	234,723	230,554
Definite life intangible assets	85,952	83,331
Investments in associates	331	331
Investments in other companies	2,208	2,194
Other non-current financial assets	9,983	10,124
Deferred tax assets	15,911	12,341
Other non-current assets	945	1,262
<b>TOTAL NON-CURRENT ASSETS</b>	<b>687,735</b>	<b>608,502</b>
<b>CURRENT ASSETS</b>		
Inventories	331,803	344,118
Trade receivables	132,170	106,154
Contract asset	17,881	19,555
Current tax receivables	7,938	7,739
Other current assets	48,775	38,220
Other current financial assets	722	712
Cash and cash equivalents	86,768	116,325
<b>TOTAL CURRENT ASSETS</b>	<b>626,057</b>	<b>632,823</b>
Asset held for sale	0	1,554
<b>TOTAL ASSETS</b>	<b>1,313,792</b>	<b>1,242,879</b>

(In thousands of Euro)	<b>30.06.2019</b>	<b>31.12.2018</b>
<b>SHAREHOLDERS' EQUITY</b>		
<b>SHAREHOLDERS' EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT</b>		
Share capital	55,186	55,186
Reserves	322,314	316,399
Net income attributable to Equity holders of the Parent	14,773	10,165
<b>TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT</b>	<b>392,273</b>	<b>381,750</b>
<b>EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS</b>		
Capital and reserves attributable to non-controlling interests	1,800	277
Net Income attributable to non-controlling interests	928	1,476
<b>TOTAL EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS</b>	<b>2,728</b>	<b>1,753</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>395,001</b>	<b>383,503</b>
<b>NON-CURRENT LIABILITIES</b>		
Medium/long-term debt	623,504	490,126
Financial liabilities	616	515
Provisions for risks and charges	875	922
Liabilities for employee benefits	9,112	9,028
Other non-current liabilities	5,277	5,085
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>639,384</b>	<b>505,676</b>
<b>CURRENT LIABILITIES</b>		
Financial liabilities	76,376	68,001
Current portion of medium/long-term debt	12,121	64,915
Provisions for risks and charges	477	1,450
Trade payables	129,056	170,959
Current tax payables	497	743
Other current liabilities	60,880	47,632
<b>TOTAL CURRENT LIABILITIES</b>	<b>279,407</b>	<b>353,700</b>
<b>TOTAL LIABILITIES</b>	<b>918,791</b>	<b>859,376</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>1,313,792</b>	<b>1,242,879</b>

**KEDRION Group**

Registered office in LOC, AI CONTI - 55051 CASTELVECCHIO PASCOLI (LU)

Fully paid-up share capital Euro 55,186,279

**STATEMENT OF PROFIT OR LOSS**

(In thousands of Euro)	<b>30.06.2019</b>	<b>30.06.2018</b>
Revenues from sales and services	363,981	278,180
Cost of sales	277,880	199,854
<b>GROSS MARGIN</b>	<b>86,101</b>	<b>78,326</b>
Other income	22,393	22,092
General and administrative expenses	38,742	37,022
Sales and marketing expenses	25,240	21,225
Research and development costs	18,517	20,812
Other operating costs	3,858	3,473
<b>OPERATING INCOME</b>	<b>22,137</b>	<b>17,886</b>
Financial expenses	14,817	10,283
Financial income	5,200	4,541
<b>INCOME BEFORE TAXES</b>	<b>12,520</b>	<b>12,144</b>
Income taxes	(3,181)	1,932
<b>NET INCOME/(LOSS) FOR THE PERIOD</b>	<b>15,701</b>	<b>10,212</b>
<b>Of which:</b>		
Net Income attributable to Equity holders of the Parent	14,773	9,390
Net Income attributable to non-controlling interests	928	822

**KEDRION Group**

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**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

(In thousands of Euro)	<b>30.06.2019</b>	<b>30.06.2018</b>
<b>NET INCOME FOR THE PERIOD</b>	<b>15,701</b>	<b>10,212</b>
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>		
<b>Items of other comprehensive income that will subsequently be reclassified to profit or loss (net of taxes)</b>		
Net income/(losses) on cash flow hedges	(177)	(179)
Income taxes	42	43
Exchange differences on translation of foreign operations	1,155	4,405
<b>Total items of other comprehensive income that will subsequently be reclassified to profit or loss (net of taxes)</b>	<b>1,020</b>	<b>4,269</b>
<b>Items of other comprehensive income that will not subsequently be reclassified to profit or loss</b>		
Net actuarial gains/(losses) from defined benefit plans	(184)	33
Income taxes	44	(8)
<b>Total items of other comprehensive income that will not subsequently be reclassified to profit or loss (net of taxes)</b>	<b>(140)</b>	<b>25</b>
<b>TOTAL ITEMS OF OTHER COMPREHENSIVE INCOME (NET OF TAXES)</b>	<b>880</b>	<b>4,294</b>
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) (NET OF TAXES)</b>	<b>16,581</b>	<b>14,506</b>
<b>Attributable to:</b>		
Equity holders of the Parent	15,606	13,584
Non-controlling interests	975	922

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Fully paid-up share capital Euro 55,186,279

**STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY**

(in thousands of Euro)	Share capital	Legal reserve	Share premium reserve	Other reserves	Cash flow hedge reserve	Foreign currency translation reserve	TFR (employee severance indemnity) reserve (IAS 19)	Income for the period attributable to non-controlling interests	Shareholders' Equity attributable to holders of the Parent	Total Equity attributable to non-controlling interests	Total Shareholders' Equity
<b>BALANCE AS AT 01,01,2019</b>	55,186	7,743	18,807	290,571	(597)	531	(656)	10,165	381,750	1,753	383,503
Allocation of profit for the year	0	833	0	4,249	0	0	0	((5,082))	0	0	0
Distribution of dividends	0	0	0	0	0	0	0	(5,083)	(5,083)	0	(5,083)
Exchange differences	0	0	0	0	0	1,108	0	0	1,108	47	1,155
Comprehensive income for the year	0	0	0	0	(135)	0	(140)	14,773	14,498	928	15,426
<b>BALANCE AS AT 30,06,2019</b>	55,186	8,576	18,807	294,820	(732)	1,639	(796)	14,773	392,273	2,728	395,001

**KEDRION Group**

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Fully paid-up share capital Euro 55,186,279

**CONSOLIDATED STATEMENT OF CASH FLOW**

(In thousands of Euro)	30.06.2019	30.06.2018
<b>NET INCOME/(LOSS) (BEFORE TAXES) FOR THE PERIOD</b>	<b>12,520</b>	<b>12,144</b>
<b>Adjustments to reconcile net profit with cash flow generated / (absorbed) by operating activities</b>		
Capital gain from sale of plasma collection centres		
Amortization and depreciation	19,897	11,715
Financial expenses	14,817	10,283
Financial income	(5,200)	(4,541)
Provisions for employee benefits	(2)	2
Payment of employee benefits	(126)	(188)
Net change in provisions for risks and charges	(1,020)	230
Net change in other non-current assets and liabilities	509	(368)
<b>Net changes in operating assets and liabilities</b>		
Trade receivables	(22,772)	(4,590)
Inventories	13,723	(39,438)
Trade payables	(41,810)	3,031
Other current assets and liabilities	540	(1,529)
<b>Other cash flow from operating activities</b>		
Income taxes paid	(3,561)	(3,933)
<b>NET CASH FLOW GENERATED BY OPERATING ACTIVITIES (A)</b>	<b>(12,485)</b>	<b>(17,182)</b>
Investments in tangible assets	(6,569)	(19,662)
Disposal of tangible assets	74	111
Purchase of plasma collection centre	(12,039)	(11,839)
Assets sold	1,554	1,749
Investments in intangible assets	(2,992)	(4,162)
Disposal of intangible assets	0	13
<b>NET CASH FLOW ABSORBED BY INVESTMENT ACTIVITIES (B)</b>	<b>(19,972)</b>	<b>(33,790)</b>



(In thousands of Euro)	30.06.2019	30.06.2018
Distribution of dividends	(461)	(2,193)
Increase in Shareholder's Equity	0	258
Bond repurchase	(58,204)	
New medium/long-term loans	70,000	70
Repayment of medium/long-term debt	(6,396)	(4,270)
Interest collected	307	257
Interest paid	(7,610)	(5,683)
Change in non-current financial assets	242	(471)
Net change in short-term financial assets and liabilities	4,595	21,643
<b>NET CASH FLOW GENERATED/(ABSORBED) BY FINANCING ACTIVITIES (C)</b>	<b>2,473</b>	<b>9,611</b>
Net cash flow generated by operating activities (A)	(12,485)	(17,182)
Net cash flow absorbed by investment activities (B)	(19,972)	(33,790)
Net cash flow generated/(absorbed) by financing activities (C)	2,473	9,611
<b>TOTAL NET CASH FLOW D=(A+B+C)</b>	<b>(29,984)</b>	<b>(41,361)</b>
Cash and cash equivalents at the beginning of the period (E)	116,323	104,520
Net effect of conversion of foreign currencies on cash and cash equivalents (F)	386	141
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD H =(D+E+F+G)</b>	<b>86,725</b>	<b>63,300</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD:</b>		
Cash and cash equivalents:	116,325	104,522
Current account overdrafts and cash equivalents payable on demand	(2)	(2)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>116,323</b>	<b>104,520</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD:</b>		
Cash and cash equivalents	86,768	63,302
Current account overdrafts and cash equivalents payable on demand	(43)	(2)
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD:</b>	<b>86,725</b>	<b>63,300</b>

Castelvecchio Pascoli, August 13<sup>th</sup> 2019

On behalf of the Board of Directors  
The Chairman  
Paolo Marcucci