

1. FINANCIAL STATEMENTS

1.1. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(in thousands of Euro)</i>	31.03.2023	31.12.2022
NON-CURRENT ASSETS		
Property, plant and equipment	675,621	689,076
Investments property	2,290	2,338
Goodwill	612,708	616,964
Rights of use	144,666	139,258
Intangible fixed assets with a finite useful life	758,810	774,194
Other non-current financial assets	6,345	9,044
Income tax receivables	1,545	4,546
Other non-current assets	961	1,114
TOTAL NON-CURRENT ASSETS	2,202,946	2,236,534
CURRENT ASSETS		
Inventories	581,776	542,704
Trade receivables	124,060	156,555
Contractual assets	29,554	36,789
Income tax receivables	23,880	21,795
Other current assets	38,848	38,398
Other current financial assets	4,335	4,767
Cash and cash equivalents	130,981	162,649
TOTAL CURRENT ASSETS	933,434	963,657
TOTAL ASSETS	3,136,380	3,200,191

(in thousands of Euro)

31.03.2023

31.12.2022

SHAREHOLDERS' EQUITY		
GROUP SHAREHOLDERS' EQUITY		
Share capital	50	50
Reserves	1.685.466	1,692,969
Net profit attributable to the Group	(27.453)	9,923
TOTAL GROUP SHAREHOLDERS' EQUITY	1.658.063	1,702,942
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS		
Capital and reserves of non-controlling interests	6.597	5,627
Net profit attributable to non-controlling interests	2.130	749
TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	8.727	6,376
TOTAL SHAREHOLDERS' EQUITY	1.666.790	1,709,318
NON-CURRENT LIABILITIES		
Medium-/long-term loans	907.117	916,028
Provisions for risks and charges	3.827	3,703
Employee benefits liabilities	3.497	3,587
Deferred tax liabilities	163.653	160,608
Other non-current liabilities	2.523	3,141
TOTAL NON-CURRENT LIABILITIES	1.080.617	1,087,067
CURRENT LIABILITIES		
Payables to banks and other lenders	77.214	74,872
Current portion of medium-/long-term loans	14.632	14,088
Provisions for risks and charges	31.282	32,251
Trade payables	202.185	208,881
Income tax payables	8.135	9,310
Other current liabilities	55,525	64,404
TOTAL CURRENT LIABILITIES	388,973	403,806
TOTAL LIABILITIES	1,469,590	1,490,873
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	3,136,380	3,200,191

1.2. STATEMENT OF PROFIT OR LOSS FOR THE YEAR

(in thousands of Euro)

31.03.2023

Revenue	296,074
Cost of sales	236,317
GROSS MARGIN	59,757
Other income	3,014
Gain on bargain purchase	-
General and administrative expenses	41,457
Sales and marketing expenses	19,932
Research and development expenses	9,056
Other operating costs	2,683
OPERATING PROFIT	(10,357)
Financial expenses	18,826
Financial income	418
Financial Expenses from refinancing	-
Foreign Exchange Gain or Losses	11,328
PROFIT BEFORE TAXES	(17,437)
Income taxes	7,886
NET PROFIT FOR THE PERIOD	(25,323)
Of which:	
Net profit attributable to the Group	(27,453)
Net profit attributable to non-controlling interests	2,130

1.3. PROFIT AND LOSS STATEMENT AND OTHER COMPREHENSIVE INCOME

(in thousands of Euro)

31.03.2023

NET PROFIT FOR THE YEAR	(25,323)
OTHER COMPONENTS OF THE STATEMENT OF COMPREHENSIVE INCOME	
Other components of the Statement of Comprehensive Income which will be restated under profit/(loss) for the year:	
Net (loss)/profit on cash flow hedges	
Income taxes	
Translation differences of foreign financial statements	(17,702)
Total other comprehensive income components which will be restated under profit/(loss) for the year after taxes	(17,702)
Other components of the Statement of Comprehensive Income which will not be restated under profit/(loss) for the year:	
(Loss)/Actuarial net profit on defined benefit plans	94
Income taxes	(24)
Total other comprehensive income components which will not be restated under profit/(loss) for the year after taxes	70
TOTAL OTHER COMPONENTS OF THE STATEMENT OF COMPREHENSIVE INCOME, AFTER TAXES	(42,955)
TOTAL COMPREHENSIVE PROFIT/(LOSS) AFTER TAXES	(42,955)
Attributable to:	
Group interests	(45,135)
Non-controlling interests	2,180

1.4. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

(in thousands of Euro)

	Share capital	Legal reserve	Share premium reserve	Other reserves	Foreign currency translation reserve	TFR (employee severance indemnity) reserve (IAS 19)	Income for the year	Total Shareholders' Equity attributable to Equity holders of the Parent	Total Equity attributable to non-controlling interests	Total Shareholders' Equity
BALANCE AS AT 16.12.2021	50	-	10	-	-	-	-	60	-	60
Allocation of profit for the year	-	-	-	-	-	-	-	-	-	-
Kedrion Holding Capital increase	-	-	-	1,762,569	-	-	-	1,762,569	-	1,762,569
Kedrion Group non-controlling interests	-	-	-	-	-	-	-	-	6,180	6,180
Distribution of dividends	-	-	-	-	-	-	-	-	(875)	(875)
IAS 29 conversion reserve	-	-	-	877	-	-	-	877	585	1,462
Exchange differences	-	-	-	-	(70,512)	-	-	(70,512)	(263)	(70,775)
IAS 19 actuarial result	-	-	-	-	-	25	-	25	-	25
Income for the year	-	-	-	-	-	-	9,923	9,923	749	10,672
BALANCE AS AT 31.12.2022	50	-	10	1,763,446	(70,512)	25	9,923	1,702,942	6,376	1,709,318
Allocation of profit for the year	-	-	-	9,923	-	-	(9,923)	-	-	-
Distribution of dividends	-	-	-	-	-	-	-	-	-	-
IAS 29 conversion reserve	-	-	-	256	-	-	-	256	171	427
Exchange differences	-	-	-	-	(17,752)	-	-	(17,752)	50	(17,702)
IAS 19 actuarial result	-	-	-	-	-	70	-	70	-	70
Income for the year	-	-	-	-	-	-	(27,453)	(27,453)	2,130	(25,323)
BALANCE AS AT 31.03.2023	50	-	10	1,773,625	(88,264)	95	(27,453)	1,658,063	8,727	1,666,790

1.5. CONSOLIDATED CASH FLOW STATEMENT

(in thousands of Euro)

31.03.2023

NET INCOME/(LOSS) (BEFORE TAXES) FOR THE PERIOD	(17,437)
Adjustments to reconcile net profit with cash flow generated / (absorbed) by operating activities	
Amortization and depreciation	32,907
Financial expenses	18,826
Financial income	(418)
Foreign Exchange Gain or Losses	(11,328)
Other non-monetary items	(364)
Provisions for employee benefits	18
Payment of employee benefits	(29)
Net change in provisions for risks and charges	(845)
Net change in other non-current liabilities	(618)
Net change in other non-current assets	153
Net changes in operating assets and liabilities	
Trade receivables	38,057
Inventories	(39,072)
Trade payables	(3,772)
Other current assets and liabilities	(5,845)
Other cash flow from operating activities	
Income taxes paid	(3,834)
NET CASH FLOW GENERATED/(ABSORBED) BY OPERATING ACTIVITIES (A)	6,399
Investments in tangible assets	(10,077)
Disposal of tangible assets	254
Investments in intangible assets	(6,596)
Disposal of intangible assets	74
NET CASH FLOW GENERATED/(ABSORBED) BY INVESTMENT ACTIVITIES (B)	(16,345)

(in thousands of Euro)

31.03.2023

Distribution of dividends	(875)
Repayment of medium/long-term debt	(3,645)
Interest collected	410
Interest paid	(18,947)
Change in non-current financial assets	2,699
Change in short-term financial liabilities	(1,279)
Net change in short-term financial assets and liabilities	432
NET CASH FLOW GENERATED/(ABSORBED) BY FINANCING ACTIVITIES (C)	(21,205)
Net cash flow generated by operating activities (A)	6,399
Net cash flow absorbed by investment activities (B)	(16,345)
Net cash flow generated/(absorbed) by financing activities (C)	(21,205)
TOTAL NET CASH FLOW D=(A+B+C)	(31,151)
Cash and cash equivalents at the beginning of the period (E)	162,649
Net effect of conversion of foreign currencies on cash and cash equivalents (F)	(517)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD G =(D+E+F)	130,981
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD:	
Cash and cash equivalents:	162,649
Current account overdrafts and cash equivalents payable on demand	-
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	162,649
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD:	
Cash and cash equivalents	130,981
Current account overdrafts and cash equivalents payable on demand	-
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD:	130,981

Milan, 29 March 2023

For the Board of Directors
The President
Peter Michel