



**KEDRION GROUP
CONSOLIDATED FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2023**

1. FINANCIAL STATEMENTS

1.1. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of Euro)

30.09.2023

31.12.2022

NON-CURRENT ASSETS		
Property, plant and equipment	687,746	689,076
Investments property	2,223	2,338
Goodwill	632,564	616,964
Rights of use	153,244	139,258
Intangible fixed assets with a finite useful life	725,237	774,194
Other non-current financial assets	6,237	9,044
Income tax receivables	2,690	4,546
Other non-current assets	878	1,114
TOTAL NON-CURRENT ASSETS	2,210,819	2,236,534
CURRENT ASSETS		
Inventories	683,600	542,704
Trade receivables	122,740	156,555
Contractual assets	22,579	36,789
Income tax receivables	22,500	21,795
Other current assets	37,439	38,398
Other current financial assets	4,985	4,767
Cash and cash equivalents	98,893	162,649
TOTAL CURRENT ASSETS	992,736	963,657
TOTAL ASSETS	3,203,555	3,200,191

*(in thousands of Euro)***30.09.2023****31.12.2022****SHAREHOLDERS' EQUITY****GROUP SHAREHOLDERS' EQUITY**

Share capital	60,454	50
Reserves	1,665,167	1,692,969
Net profit attributable to the Group	(47,756)	9,923
TOTAL GROUP SHAREHOLDERS' EQUITY	1,677,865	1,702,942

SHAREHOLDERS' EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

Capital and reserves of non-controlling interests	5,966	5,627
Net profit attributable to non-controlling interests	5,887	749

TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	11,853	6,376
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TOTAL SHAREHOLDERS' EQUITY	1,689,718	1,709,318
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NON-CURRENT LIABILITIES

Medium-/long-term loans	914,518	916,028
Provisions for risks and charges	1,411	3,703
Employee benefits liabilities	3,345	3,587
Deferred tax liabilities	140,820	160,608
Other non-current liabilities	2,699	3,141

TOTAL NON-CURRENT LIABILITIES	1,062,793	1,087,067
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CURRENT LIABILITIES

Payables to banks and other lenders	130,793	74,872
Current portion of medium-/long-term loans	15,748	14,088
Provisions for risks and charges	28,475	32,251
Trade payables	218,166	208,881
Income tax payables	12,154	9,310
Other current liabilities	45,708	64,404

TOTAL CURRENT LIABILITIES	451,044	403,806
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TOTAL LIABILITIES	1,513,837	1,490,873
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TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	3,203,555	3,200,191
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1.2. STATEMENT OF PROFIT OR LOSS FOR THE YEAR

(in thousands of Euro)

30.09.2023

Revenue	986,850
Cost of sales	767,307
GROSS MARGIN	219,543
Other income	14,559
General and administrative expenses	121,310
Sales and marketing expenses	68,091
Research and development expenses	26,670
Other operating costs	8,263
OPERATING PROFIT/(LOSS)	9,768
Financial expenses	61,855
Financial income	915
Foreign Exchange Gains/(Losses)	(948)
PROFIT/(LOSS) BEFORE TAXES	(52,120)
Income taxes	(10,251)
NET PROFIT/(LOSS) FOR THE PERIOD	(41,869)
Of which:	
Net profit/(loss) attributable to the Group	(47,756)
Net profit/(loss) attributable to non-controlling interests	5,887

1.3. PROFIT AND LOSS STATEMENT AND OTHER COMPREHENSIVE INCOME

(in thousands of Euro)

30.09.2023

NET PROFIT/(LOSS) FOR THE YEAR	(41,869)
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	3,763
Total other comprehensive income components which will be restated under profit/(loss) for the year after taxes	3,763
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	29
Income taxes	(7)
Total other comprehensive income components which will not be restated under profit/(loss) for the year after taxes	22
TOTAL OTHER COMPONENTS OF THE STATEMENT OF COMPREHENSIVE INCOME, AFTER TAXES	3,785
TOTAL COMPREHENSIVE PROFIT/(LOSS) AFTER TAXES	(38,084)
Attributable to:	
Group interests	(43,172)
Non-controlling interests	5,088

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
Reverse merger reclassification	60,404	11,734	77,891	(186,139)	36,692	(582)	-	-	-	-
Allocation of profit for the year	-	-	-	9,923	-	-	(9,923)	-	-	-
Distribution of dividends	-	-	-	-	-	-	-	-	(315)	(315)
Bargain restatement	-	-	-	17,036	-	-	-	17,036	-	17,036
IAS 29 reserve	-	-	-	1,059	-	-	-	1,059	704	1,763
Exchange differences	-	-	-	-	4,562	-	-	4,562	(799)	3,763
IAS 19 actuarial result	-	-	-	-	-	22	-	22	-	22
Income for the year	-	-	-	-	-	-	(47,756)	(47,756)	5,887	(41,869)
BALANCE AS AT 30.09.2023	60,454	11,734	77,901	1,605,325	(29,258)	(535)	(47,756)	1,677,865	11,853	1,689,718

1.5. CONSOLIDATED CASH FLOW STATEMENT

(in thousands of Euro)

30.09.2023

NET INCOME/(LOSS) (BEFORE TAXES) FOR THE PERIOD	(52,120)
Adjustments to reconcile net profit with cash flow generated by operating activities	
Amortization and depreciation	110,047
Financial expenses	61,855
Financial income	(915)
Foreign Exchange (Gains)/Losses	948
Other non-monetary items	(2,618)
Provisions/(Payment) of employee benefits	(276)
Net change in provisions for risks and charges	(6,068)
Net change in other non-current liabilities	(442)
Net change in other non-current assets	236
Net changes in operating assets and liabilities	
Trade receivables	42,361
Inventories	(139,378)
Trade payables	16,398
Other current assets and liabilities	5,456
Other cash flow from operating activities	
Income taxes paid	(6,148)
NET CASH FLOW GENERATED BY OPERATING ACTIVITIES (A)	29,336
Investments in tangible assets	(39,314)
Disposal of tangible assets	656
Purchase of plasma collection centers	(9,351)
Investments in intangible assets	(11,373)
Disposal of intangible assets	51
NET CASH FLOW (ABSORBED) BY INVESTMENT ACTIVITIES (B)	(59,331)

(in thousands of Euro)

30.09.2023

Distribution of dividends	(1,190)
Repayment of medium/long-term debt	(11,728)
Interest collected	1,094
Interest paid	(34,103)
Change in non-current financial assets	2,722
Change in short-term financial liabilities	9,774
Change in short-term financial assets	(218)
NET CASH FLOW (ABSORBED) BY FINANCING ACTIVITIES (C)	(33,649)
Net cash flow generated by operating activities (A)	29,336
Net cash flow (absorbed) by investment activities (B)	(59,331)
Net cash flow (absorbed) by financing activities (C)	(33,649)
TOTAL NET CASH FLOW D=(A+B+C)	(63,644)
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)	(112)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD G =(D+E+F)	98,893
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	98,893
Current account overdrafts and cash equivalents payable on demand	-
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD:	98,893

Castelvecchio Pascoli, 28 November 2023

For the Board of Directors
The Chief Executive Officer
Ugo Di Francesco