



Industry of Care

***Nice to meet you, we are
Angelini Industries.***

**AND THIS IS OUR
ANNUAL REPORT 2023.**





Angelini
Industries

Industry of Care

***Nice to meet you, we are
Angelini Industries.***

**AND THIS IS OUR
ANNUAL REPORT 2023.**

COVER: Alessandro, Giuliano, Adriano, Silvia, Veronica and Rocco, Angelini Holding; Elisabetta, Angelini Real Estate; Elisabetta, Angelini Wines & Estates; Concita, Fondazione Angelini; Matteo, Angelini Pharma; Natasa, Angelini Ventures; Andrea, Angelini Technologies; Fabiana, Fater.



Contents

Letter from the CEO	4
Corporate Governance	6
At a glance	9
Angelini Industries	13
Who we are	13
Corporate structure	14
Business sectors and operating companies	16
The Angelini Way	20
More than 100 years of history	22
Strategic positioning and products	25
Sustainability	29
 Angelini Holding S.p.A. a single-shareholder company – Consolidated financial statements at December 31, 2023	32
01. Report on operations	34
Company performance	36
Significant events during the year	37
Economic scenario	40
Summary of the consolidated economic, equity and financial results	44
R&D activities and investments	57
Information regarding personnel, security and environment	59
Company risk management	63
Relationships with subsidiaries, affiliated, parent companies and companies controlled by parent companies	66
Business outlook	67
02. Consolidated financial statements	68
03. Explanatory Notes - Consolidated financial statements at December 31, 2023	80
04. Independent Auditor's Report	146



Nice to meet you, I'm Sergio Marullo di Condojanni

CEO OF **ANGELINI INDUSTRIES**

With the approval of the 2023 consolidated financial statements, a cycle of four very positive financial years for the Group has come to a close. Indeed, the results illustrated in this report show an uninterrupted trajectory of growth, the result of a strategic vision, significant investments made in the four-year period, approximately 800 million euros, and the ability of Angelini Industries to respond with great resilience to the external factors that influenced the macroeconomic context with unprecedented magnitude.

Revenues stand at 2.1 billion euros, marking a new record for the Group, with a +7.6% increase cutting across all business segments compared to 2022. Even more significant is the increase in the margins, which have already improved notably on the previous year. EBITDA increased, in 2023, by 19.2% to 303 million euros, while earnings before interest and tax (EBIT) more than doubled to 91.2 million, compared to 39.3 in 2022. The brilliant performance in the operating results not only offset the higher impact of costs for raw materials, due to the pronounced inflationary trend that characterized the markets in 2023, but also the lower, albeit satisfactory, contribution of the financial income and charges. As a matter of fact, the pre-tax result jumped by over 48% to 136 million, also driving net profit upward to 98 million euros. This growth compared to 80 million in 2022 is in spite of a decisive increase in taxes.

The data show how the work to fully unfold the potential of Angelini Industries, carried out in the last four-year period, is reaping the fruits of its labor.

The work is founded on a clear definition of our identity and on the focus of the Group's investments in several precise business areas, which we believe have a promising future.

From this perspective, 2023 was particularly significant.

In Health, Angelini Pharma completed the launch of cenobamate, the innovative anti-epilepsy molecule for which it acquired marketing rights in 20 European countries in 2021. It is a goal that we feel very strongly about, because not only does it represent a project on an unprecedented scale for the Group, opening new European markets, but it has allowed us to reach over 100,000 patients, ensuring better living conditions for hundreds of thousands of families. We also renewed our commitment to brain health through an agreement between Angelini Pharma and the Japanese company JCR Pharmaceuticals, to develop new organic drugs that act by penetrating the blood-brain barrier. The agreement grants Angelini Pharma the option for an exclusive license to develop and license highly innovative organic therapies to treat epilepsy, and confirms the Angelini Industries global investment strategy in the pharmaceutical sector.

With Angelini Ventures, our venture capital fund created in 2022, we are investing in biotech. Our commitment is to contribute to designing the care models of the future, which prioritize patients and their needs. To date, Angelini Ventures has allocated one third of its funds worth 300 million euros to over 15 high-impact projects, including thanks to a global team covering all markets with the most potential for innovation and research.

In Industrial Technology, Angelini Technologies continues to develop the new robotics and automation business area, with applications prevalently in the logistics of organized distribution and e-commerce, a sector seeing very strong and continuous growth across the entire world. As a matter of fact, alongside precision mechanics, Industrial Technology is a global sector in which Italy has always been excellent. We are convinced that, as a Group and as a corporate system, we can effectively contribute to the strengthening of this leadership. In this context, we will strive over the coming years to considerably increase the turnover of Angelini Technologies, by also enhancing the traditional business linked to the creation of industrial machinery in the Hygiene sector (so-called "Converting").

Allow me to end this brief introduction by mentioning Fater, our joint venture with P&G, which operates in the market of fast-moving consumer goods and continues to carve out a successful story of excellent management. This feat is even more significant if we consider the falling demographic trends and increasing costs of raw materials of recent years. This coverage of relevant market segments not only grants solidity to the Group, but allows us to maintain important production plants in Italy, a source of development for the territory and confirmation of our industrial vocation dating back over one hundred years.

Rome, June 2024

Corporate Governance

ANGELINI HOLDING

Angelini Holding S.p.A. is the industrial Holding Company of the Angelini Industries Group. It aims to manage the industrial equity investments in the businesses in which the Group operates. In particular, it is responsible for the strategic guidance and coordination of the subsidiaries and also provides various types of services, including IT, financial, administrative, management, insurance, legal and corporate services.

Board of Directors ⁽¹⁾	
HONORARY CHAIRMAN	Francesco Angelini
CHAIRMAN	Franco Masera
VICE CHAIRMAN	Thea Paola Angelini
EXECUTIVE VICE CHAIRMAN ⁽²⁾	Thea Paola Angelini
VICE CHAIRMAN	Sergio Marullo di Condojanni
CEO/LR ⁽³⁾	Sergio Marullo di Condojanni
BOARD MEMBERS	Giovanni Ciserani Stefano Proverbio Lorenzo Tallarigo Attilio Zimatore

(1) Appointed on 06/28/2021 and in office until the Shareholders' Meeting called to approve the Financial Statements as of 12/31/2023.
(2) Delegation of powers to the Executive Vice Chairman (Thea Paola Angelini) appointed on 07/07/2021 and in office until the Shareholders' Meeting called to approve the Financial Statements as of 12/31/2023.
(3) CEO/LR (Sergio Marullo di Condojanni) appointed on 07/07/2021 and in office until the Shareholders' Meeting held to approve the Financial Statements as of 12/31/2023.

Board of Statutory Auditors ⁽⁴⁾	
CHAIRMAN	Fabrizio Marchetti
STATUTORY AUDITORS	Riccardo Tiscini Lorenzo Barbone
ALTERNATE AUDITORS	Gianluca Leone Giuseppe Marciano
Supervisory Body ⁽⁵⁾	
CHAIRMAN	Fulvia Astolfi
STANDING MEMBERS	Antonio Miani Daniele Del Monaco
Independent Auditors	
E&Y S.p.A.	

(4) Appointed on 06/28/2021 and in office until the approval of the Financial Statements as of 12/31/2023.
(5) Appointed on 07/07/2021 and in office until the approval of the Financial Statements as of 12/31/2023.



Giorgia and Marco, Angelini Holding.

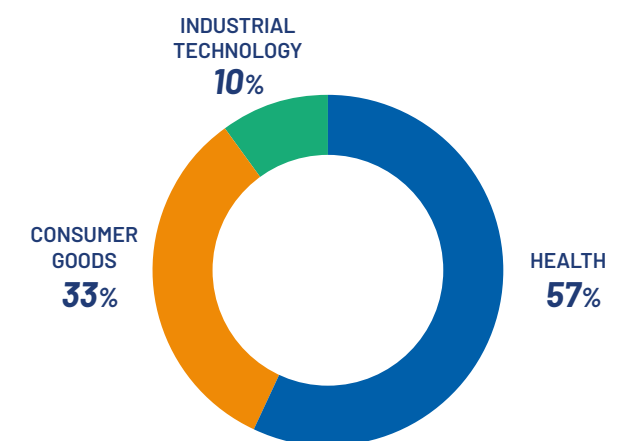
At a glance

Revenues
BILLION EUROS

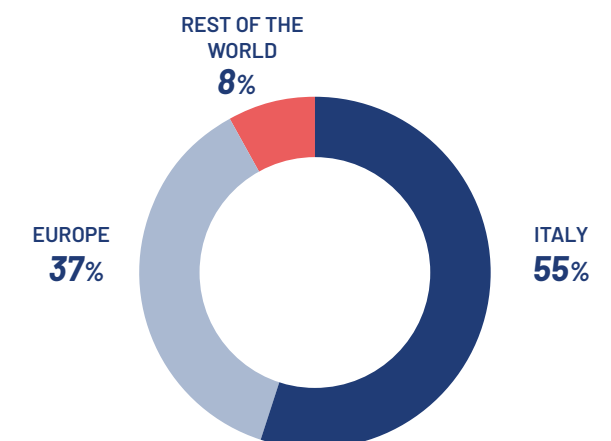
2.150
2023

1.998
2022

Revenues 2023
BY BUSINESS SEGMENT

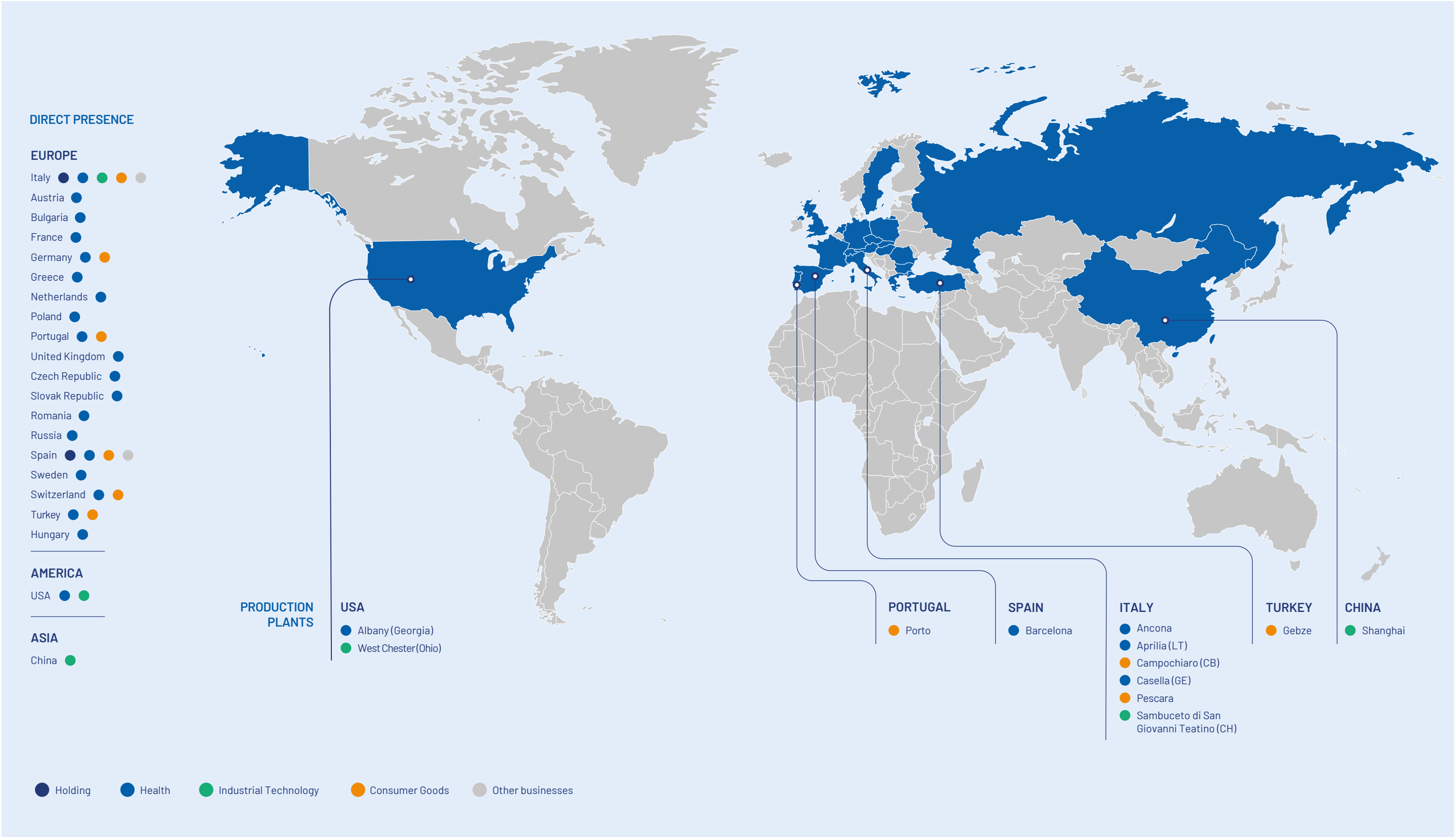


Revenues 2023
BY GEOGRAPHICAL AREA



ANGELINI INDUSTRIES WORLDWIDE:
DIRECT PRESENCE AND PRODUCTION PLANTS

The Angelini Industries Group operates with 12 production plants,
6 of which are in Italy.



Nice to meet you, we are Angelini Industries.

WE'RE ALL ABOUT HEALTH,
INDUSTRIAL TECHNOLOGY
AND CONSUMER GOODS.



Gianlorenzo, Angelini Holding; Valeria, Angelini Pharma;
Alberto, Angelini Technologies; Fabiana, Fater.

Angelini Industries

WHO WE ARE

Led by Parent Company Angelini Holding, Angelini Industries is a multinational industrial group founded in Ancona, Italy in 1919 by Francesco Angelini. Today, it is a solid and well-structured industrial business with around 5,800 employees⁽¹⁾ operating in 21 countries worldwide, with revenues of 2.1 billion euros generated in the Health, Industrial Technology and Consumer Goods sectors.

An investment strategy aimed at growth, a constant commitment to research and development and a deep knowledge of its markets and business sectors make Angelini Industries one of the foremost Italian companies in its sectors of operation. The Group is commit-

ted to lowering its environmental impact and finding increasingly more cutting-edge solutions from the perspective of circular economy. It adopts the most advanced standards on worker health and safety and the most rigorous processes to ensure maximum quality by checking the entire supply chain: from supplier certification to control of raw materials, from the production process to the finished product and packaging, all the way to spot checks in stores. For over 100 years, the Angelini family has guided the evolution of Angelini Industries with an entrepreneurial style that is typical of Italian family capitalism.

21
COUNTRIES

€ 2.1 BLN
REVENUES



HEALTH



INDUSTRIAL
TECHNOLOGY

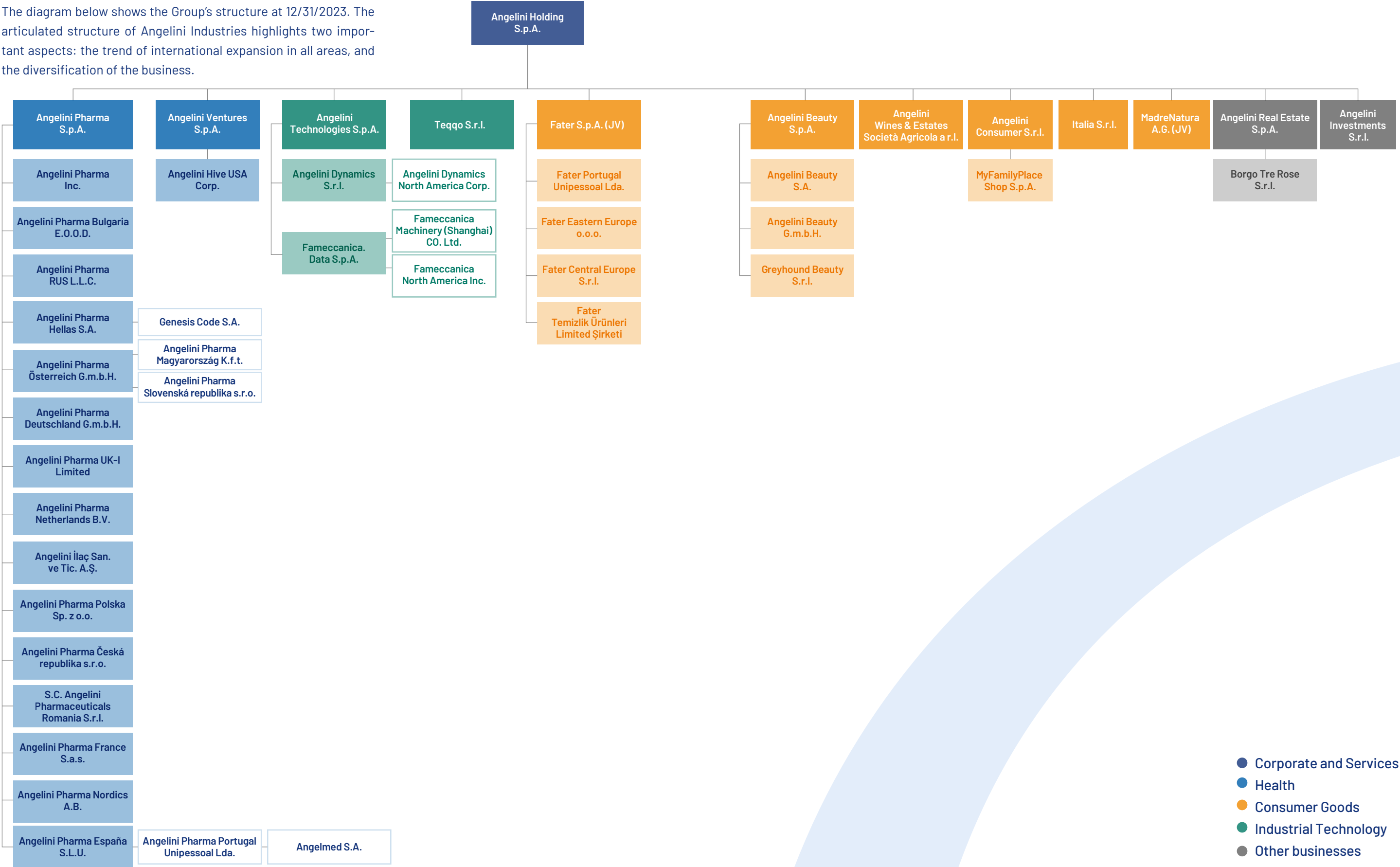


CONSUMER
GOODS

(1) The figure considers the average number of Angelini Industries Group employees, including 100% of Fater Group employees.

CORPORATE STRUCTURE

The diagram below shows the Group’s structure at 12/31/2023. The articulated structure of Angelini Industries highlights two important aspects: the trend of international expansion in all areas, and the diversification of the business.



BUSINESS SECTORS AND OPERATING COMPANIES

HEALTH

We have been taking care of people's health for more than 100 years. We operate in the pharmaceutical sector (Angelini Pharma) and venture capital applied to digital health and biotech (Angelini Ventures).



Angelini Pharma is the international group that researches, develops and markets health solutions with a main focus on Brain Health, which includes mental health and epilepsy, and Consumer Healthcare. It operates in 20 countries and employs about 3,000 people. Angelini Pharma is an integrated company with extensive, recognized research and development programs, world-class production plants and international marketing of leading active ingredients and pharmaceuticals in many sectors of the market.

Over the years, Angelini Pharma Research has discovered and developed major active ingredients, such as trazodone and benzydamine. Today, the Research, Development and Innovation programs are focused on the areas of Brain Health, in particular mental health and epilepsy, as well as Consumer Healthcare. Angelini Pharma collaborates with universities and centers of excellence at national and international level, recognizing scientific partnerships as contributing significantly to innovation.

The five Angelini Pharma production plants are at the forefront of technology and industry standards as well as environmental protection, thanks to the use and integration of renewable sources. They are located in Italy – Ancona (Finished Products), Aprilia, LT (Raw Ma-

terials) and Casella, GE (Amuchina branded products) –, in Spain – Barcelona (dietary supplements such as Pastillas Juanola) – and in the USA – Albany, Georgia (ThermaCare Heatwrap products).

Angelini Pharma has a direct presence in Italy, Spain, Portugal, Austria, Poland, the Czech Republic, Slovakia, Hungary, Germany, Romania, Bulgaria, Greece, Turkey, France, UK, Sweden, Netherlands, Switzerland, Russia and the USA. Strategic alliances with leading global pharmaceutical groups now allow Angelini Pharma pharmaceuticals to be distributed in over 70 countries. These include Trittico (trazodone, antidepressant), Latuda (lurasidone hydrochloride, antipsychotic), Tantum (benzydamine, anti-inflammatory), Aulin (nimesulide, anti-inflammatory analgesic), Vellofent (fentanyl, analgesic), Xydalba (dalbavancin, antibiotic) and Ontozry (cenobamate).



Angelini Ventures is the corporate venture capital company that employs the Group's know-how to create, support and invest in start-ups and innovative companies while contributing to the transformation of current care paradigms and the creation of integrated healthcare platforms. Angelini Ventures has investment capital of 300 million euros, with over 80 million of that amount already planned in investments in Europe and North America. The current portfolio includes Argobio, a "start-up studio" in the biotech sector based in Paris; Angelini Lumira Biosciences Fund, a North American fund that invests in biotech start-ups; Pretzel Therapeutics, a Boston-based company that develops mitochondrial

therapies; the Extend technological transfer hub, created by CDP Venture Capital in partnership with Angelini Ventures and Evotec; Serenis, a digital platform for mental well-being; CeMM, Center for Molecular Medicine of the Austrian Academy of Sciences. In 2023 Angelini Ventures invested in Cadence Neuroscience, which develops continuous neurostimulation for the treatment of epilepsy; Freya Biosciences, which operates between Europe and the United States in the biotechnology sector with clinical research on female and reproductive health; Cour Pharmaceuticals, which works on nanotechnologies to treat autoimmune diseases like type 1 diabetes and celiac disease; Noctrix Health, which has developed the first wearable technological device, approved by the Food and Drug Administration (FDA), to treat "restless leg syndrome", and Avation Medical, a wearable and non-invasive neuromodulation system for the treatment of urinary incontinence caused by overactive bladder. 2024 kicked off with the announcement of the investment in Nouscom, an Italian/Swiss start-up working to develop anti-cancer vaccines.

The company is headquartered in Rome and has a global team of experts in innovation that form an international network.

INDUSTRIAL TECHNOLOGY



Angelini Technologies is the industrial technology division of Angelini Industries. Its goal is to bring together an ecosystem of excellent companies dedicated to

designing, developing and creating technologies, products and services aimed at improving industrial and manufacturing processes through constant research and innovation. Converting and Automation & Robotics are the two main areas in which Angelini Technologies operates. From the start, with **Fameccanica**, founded in 1975 and the main company of Angelini Technologies, the Company has acquired expertise in the design and creation of production lines for fast-moving consumer goods. It has invested continuously in technology, creating cutting-edge solutions for its customers in the world of Converting as well as in digital services, thus becoming a player of reference for the fast-moving consumer goods sector and for Smart Factory Automation. It designs and develops technologies and services for the industrial production of household and personal products, sustainable packaging, and digital services dedicated to process optimization. In keeping with the aims of Angelini Industries, the mission of Angelini Technologies is to improve the daily lives of people, whether they are the direct users of this technology or the end users of the products it develops.

In 2023, Fameccanica was one of the most innovative companies in Italy according to the European Patent Office (EPO) report, with over 190 patents granted in the world, over 1,300 machines delivered across the world, over 1,100 patent design rights and more than 600 employees in the three production plants in Italy, China, and the United States.

CONSUMER GOODS

Consumer Goods is the second largest contributor to the Angelini Industries Group's revenues. Coverage of this sector is provided by the companies Fater, Angelini Beauty, Angelini Wines & Estates and MadreNatura.



Fater, founded in 1958 by the Angelini family, has been a 50/50 joint venture between Angelini Industries and Procter & Gamble since 1992. Fater is a leader in the Italian market for personal care products, with the brands Lines, Lines Specialist and Pampers, and a key player in the European market of home care products, with the ACE, Neoblanc and Comet brands, which it markets in 38 countries worldwide. In Italy, three out of four households have at least one Fater product. Innovation has guided the Company's development since its founding: first in Italy, in the early 1960s, to develop the market for baby diapers and female sanitary pads. Over the decades, Fater has expanded into new categories, such as incontinence sanitary pads (1979) and ultra-thin sanitary pads (1992), culminating, after the acquisition (2013) of ACE, Neoblanc and Comet, redesigning the entire range for all home and fabric cleaning needs. Fater invests about 4% of its annual sales in innovation and has around 1,600 employees (Italy and abroad). It has its headquarters in Spoltore (PE) and production facilities in Italy (Pescara and Campochiaro - CB), Portugal (Porto), and Turkey (Gebze). Fater considers respect for the environment to be an important factor in company decisions, planning and processes and undertakes to control and reduce the environmental impacts of its activities by combining a focus on the environment with the development of innovative and safe products and services that meet new market needs.



Angelini Beauty is the business unit of Angelini Industries, based in Milan, which operates in the selective perfume and skincare & suncare sectors. It is responsible for the creation, development and international distribution of the Trussardi, Laura Biagiotti, Angel Schlesser, Mandarina Duck and Armand Basi perfume lines and the Anne Möller skincare and suncare lines. It has its own branches in strategic markets such as Italy, Germany, Belgium, Netherlands, Luxembourg, Austria, Switzerland, Spain and Portugal, and is managed by sector professionals with a team of 200 employees, who breathe and convey "Made in Italy" excellence. Helping the consumer dream through the magic and uniqueness of its products while developing a sustainable, responsible business model is Angelini Beauty's mission. Ethics and Responsibility, Innovation, Performance and Engagement are the distinguishing values of Angelini Industries that bring all of its business units together. These values give rise to creativity, passion, enthusiasm, sustainability, and collaboration, the pillars of Angelini Beauty, which, in unwavering respect for the identity and uniqueness of each brand, creates fragrances and skin care and protection products, while paying close attention to design and communication and collaborating with the industry's foremost international talents.



In wine, **Angelini Wines & Estates** operates with respect for the territory, seeking to enhance it. It consists of 6 wineries, for a total area of over 1,500 hectares, 430 of which are cultivated as vineyards. At its three Tuscan wineries, it produces fine wines in three different appellations of origin: Brunello di Montalcino in Val di Suga, Vino Nobile di Montepulciano in Tenuta Trerose and Chianti Classico in San Leonino. In the Marche region, Fazi Battaglia winery, a historic brand of Italian wine, is renowned for the production of Verdicchio dei Castelli di Jesi Classico. Cantina Puiatti is dedicated to the production of traditional wine from Friuli-Venezia Giulia, whereas the historical Bertani is known for the production of Amarone della Valpolicella Classico. In 2018, Angelini Wines & Estates became an Agricultural Company, thus tying its wine production exclusively to the vineyards owned. A courageous choice, which is more than a simple change of company and which explains the commitment of the Group in investing and enhancing its viticulture heritage.



Founded in 2019 and based in Lenzburg, Switzerland, **MadreNatura** is a 50/50 joint venture between Angelini Industries and the Hero Group. It brings together the knowledge of the two companies to offer moms and

dads a healthy, balanced food path for their children. The brand under which MadreNatura is presented to consumers is Hero SOLO 100% Organic: 100% organic and natural baby food made with simple ingredients and nothing more.

OTHER HOLDING COMPANY ACTIVITIES



Angelini Real Estate manages investment properties belonging to Angelini Industries and develops investments in the real estate sector. It offers these types of services to all Group companies. The Company's portfolio is concentrated in Italy and Spain, where it operates with a local branch.



Angelini Investments is the Angelini Industries company that aims to enhance the value of its assets over the medium and long term, operating in the financial markets by acquiring and managing minority interests in Italian and foreign companies, taking advantage of the investment opportunities offered by the market.

THE ANGELINI WAY

OUR VALUES

At the heart of the Angelini Industries Group's identity and culture are four founding values that inspire and guide all the choices, actions, and interactions that are made on a daily basis, both through the work of its employees and through the trust created and renewed in its customers. Ethics, innovation, results and involvement are the foundations on which the Group was created, stands and is projected into the future. These values are the basic premise for conducting the company's business.



Ethics and Responsibility

We take care of our employees, of patients and consumers. Respect for the highest ethical standards is the basis of all our actions, and our decisions are guided by a long-term perspective. We are committed to ensuring a sustainable economic development of the company, to safeguarding the environment and the communities in which we operate.



Innovation

We encourage the development and testing of new effective and concrete solutions. We challenge the *status quo*. We manage complexity and demands in a world that is constantly changing. We take responsibility for courageous choices aimed for the growth and development of the company. We learn from our mistakes and pursue continuous improvement.



Performance

Each of us is responsible for achieving their goals and those of our team. We are determined to get things done and to do our best in all circumstances, with speed, rigor and transparency. We seek excellence, constantly looking for ambitious goals. We face difficulties with determination and resilience.



Engagement

We are positive, motivated and open to new ideas, styles and perspectives. We promote collaboration within the Group. We value skills and reward merit. We share and celebrate the Company's successes and the achievements of our people.



Vision

The vision represents the entrepreneur's and shareholders' dream, what they would like to achieve going forward. It is the highest moment in defining the path of the enterprise. It is a tension toward the future that shareholders want to shape through their actions. The vision guides development and, together with values, is the foundation of company culture. The Angelini Industries Group's vision is to build a better future. We aim to achieve sustainable growth for everyone, with the objective of creating value for new generations.



Purpose

The purpose is the *raison d'être* of an enterprise, representing the imprint it would like to leave on the world; the rationale for all business and organizational decisions. From the purpose derive the business choices, the products and services, the benefit that the daily actions of the company bring to all its stakeholders and society in general. The focus of the purpose is on others and the Group's commitment to them. We are an entrepreneurial group oriented to the world from Italy. Taking care of people and families in everyday life is the purpose that has always guided us and inspired the quality and attention we put into our products. We listen to the needs and desires of the community and give our best in pursuit of new and sustainable solutions and opportunities that benefit communities, our employees and shareholders.



Governance

Angelini Industries has adopted a modern system of corporate governance inspired by the highest standards of transparency and correctness in the management of the company and in its dealings with stakeholders. The Board of Directors of the Parent Company, inspired by market best practices, is made up of 7 members, 5 of whom are independent. The Group's governance and organizational model is based on accountability. All the operating company managers come from the market and have been selected on the basis of the strictest selection criteria. Fully autonomous and accountable in their respective roles, they are characterized by an open approach to change and innovation.

This system of corporate governance, as well as being an essential tool for ensuring the effective management and control of activities within the Company, is oriented towards the creation of value for shareholders, the quality of service to customers, the control of business risks and transparency towards the market.

MORE THAN 100 YEARS OF HISTORY

ORIGINS

In 1919, the 32-year-old pharmacist Francesco Angelini from the Marche region, together with two partners, established a company to make and sell medicines based in Ancona, where his pharmacy was located. In 1922, the company took the name of ANFERA and distinguished itself for the development of a network of direct delivery of medicines to pharmacies in central and southern Italy so as to become, in 1939, the first Italian distributor in the sector. In 1941, the company was dissolved, and Francesco Angelini founded ACRAF – Aziende Chimiche Riunite Angelini Francesco.



1919-1940

1950s

INDUSTRIAL DEVELOPMENT

The post-war years were characterized by the industrial development of the company led by Angelini. The drug Dobetin is its first commercial success, a response to a serious health need such as the spread of pernicious anemia in the starving Italian population during the war. The 1950s marked three fundamental stages in the Company's expansion: the decision to move the management offices to Rome, the beginning of the marketing of Tachipirina, which is still one of the best-selling drugs in Italy, and the acquisition of Fater, a company producing consumer goods.



RESEARCH, DEVELOPMENT AND INNOVATION

Angelini invested in pharmaceutical research and started producing its first original and patented molecules: oxolamine (anti-cough), benzydamine (anti-inflammatory), trazodone (antidepressant), and dapiprazole (anti-glaucoma). In the same decade, Fater entered the homes of Italian families with the Lines brand and revolutionized the sanitary market in our country with the first disposable baby diapers and feminine sanitary napkins.



NEW MARKETS AND TERRITORIES

In 1972, Tantum Verde, based on benzydamine, and Trittico, based on trazodone, were put on the market. In 1975, Fameccanica, specialized in the production of industrial machines, was founded in Abruzzo. During this period, Angelini went beyond national borders. In 1979, the Lepori Pharmaceutical Group based in Barcelona was acquired, from which a process of international expansion began, starting with Spain and Portugal.

1970s

ON THE FRONT LINE IN COMMUNICATION WITH MOMENT

In 1985 Angelini realized the potential of the analgesic ibuprofen in Italy and launched a self-medication drug specifically for headaches, Moment, the first example of marketing applied to pharmaceutical products.

1980s



AN ARTICULATED INDUSTRIAL GROUP

In 1992, Angelini further consolidated its position in the hygiene-sanitary sector by setting up a 50/50 joint venture with Procter & Gamble to manage Fater and Fameccanica. In 1994, it entered the wine sector, with the acquisition of the three Tuscan wineries Trerose, Val di Suga and San Leonino, and the fragrance sector, with the acquisition of the Spanish company Idesa Parfums.

1990s



THE 100TH ANNIVERSARY

Angelini celebrated its 100th anniversary by looking to the future with renewed entrepreneurial commitment, as expressed by Francesco Angelini: "We are preparing to celebrate the 100th anniversary of our Group with great excitement. We look to the future with deep respect for the founding principles and an entrepreneurial philosophy that is renewed today, also thanks to the commitment of the new generation, and in particular my daughter Thea Paola and her husband Sergio. I would like to thank the people who work at Angelini, our customers, partners and stakeholders who have trusted our company for 100 years".

2019

INCREASINGLY GLOBAL

In 2000, Angelini acquired Amuchina, a company known for its disinfectant and sanitizing products. Fameccanica expanded into China and North America. Puiatti wineries were acquired in Friuli and Bertani in Valpolicella, known as one of the most prestigious producers of Amarone.



2000s

A LEADING GROUP

In the pharmaceutical sector, Angelini focused its efforts on the therapeutic areas of pain and inflammatory disorders, diseases and disorders of the nervous system, and pediatrics. The launch of the antipsychotic Latuda, for which Angelini is the Marketing Authorization Holder, testified to its commitment to the field of mental health. Completed the acquisition of Fazi Battaglia, a historic enological company from the Marche region, producer of Verdicchio dei Castelli di Jesi Classico Superiore.



2010s

2020-today



A NEW ERA

In 2020, a new Group governance model is developed which combines an industrial-style holding company with the independence and accountability of an operating company. The concept of taking care is the underlying theme of Angelini's activities in all of the sectors in which it operates. A new name and a new visual identity are born. On December 3, 2021, the Angelini Group became Angelini Industries. In the world of Consumer Goods, MadreNatura was established, a joint venture with Hero Group. In the Health field, Angelini Pharma acquired the brand ThermoCare (2021). The year 2021 is also when the biotech Arvelle Therapeutics was acquired, the largest acquisition in the history of the Angelini Industries Group. Efforts in the field of Industrial Technology became even more strategic. In 2022, all shares in Fameccanica were purchased and Angelini Technologies was created, the division dedicated to designing and developing technologies, products and services to improve industrial processes. In 2022, Angelini Industries made its entrance into venture capital applied to digital health and biotech with the creation of Angelini Ventures, which consolidated and expanded the Group's efforts in Health. 2023 was synonymous with investments: in the field of Health, Angelini Pharma announced an international collaboration with JCR Pharmaceuticals for the development and marketing of new biological therapies for epilepsy, and Angelini Ventures invested in epilepsy and female health. Industrial Technology: Angelini invested to consolidate the Converting business and to develop the new Automation & Robotics unit.



Valeria, Angelini Pharma; Alberto, Angelini Technologies.

STRATEGIC POSITIONING AND PRODUCTS

Angelini Industries is a multi-industry, multinational group. As explained above, it operates in the following business sectors: Health, Industrial Technology, Consumer Goods. The figure summarizes the major brands associated with each business sector.



Health

Acutil, Amuchina, Aulin, Daparox, Erdomed, Infasil, Latuda, Momendol, Moment, Moment Act, Ontozry, Resilient, Tachidol, Tachifludex, Tachipirina, Tantum Verde, ThermaCare, Trittico, Vellofent, Xydalba.

Consumer Goods

Pampers, Lines, Lines Specialist, Tampax, ACE, Neoblanc, Hero SOLO (Fater).

Creation, development and international distribution of the Trussardi, Laura Biagiotti, Angel Schlesser, Mandarina Duck, Armand Basi perfume lines and the Anne Möller skincare and suncare lines (Angelini Beauty).



Bertani (Veneto)
Cantina Puiatti (Friuli-Venezia Giulia)
Val di Suga, Tenuta Trerose, San Leonino (Tuscany)
Fazi Battaglia, Tenute San Sisto (Marche) (Angelini Wines & Estates).

Industrial Technology



Design and creation of automated production lines in the sector of absorbent sanitary products and fast-moving consumer goods for household and personal care, development of innovative technologies and applications for the logistics sector, sustainable packaging, and digital services dedicated to process optimization.

2023 HIGHLIGHTS



ANGELINI INDUSTRIES

“Top Innovation Ambassador” SMAU, for spreading the culture of innovation within the company and willingness to share good practices with the ecosystem of national and international innovation



ANGELINI PHARMA

Top Employer Europe certification and, at country level, in Italy, Germany, Poland, Portugal, Romania, Spain, and Turkey

Produced

280.4
MILLION

packages of finished product



ANGELINI TECHNOLOGIES
- FAMECCANICA

In the Top 100 of the most sustainable companies in Italy according to Sustainability Award

Awarded as part of the Best Value Awards Abruzzo

1.7
BILLION

disposable hygiene products from machines produced by Fameccanica



FATER

SMAU Innovation Prize Marche 2023 for the multifunctional app Charlie

127.3
MILLION

packs of sanitary pads and diapers sold in Italy

136
MILLION

bottles of bleach sold in Italy



ANGELINI BEAUTY

Academy of Perfume Award (Best Made in Italy Women’s Perfume category) for the fragrance The Italian Artists of Via Solferino from the collection Le Vie di Milano by Trussardi Parfums

More than

9.5
MILLION

bottles produced



ANGELINI WINES & ESTATES

It acquired over 400 m² to be dedicated to hospitality thanks to important restoration works in the historic Bertani wine cellar

Bertani appointed Winery of the Year 2023

Over 50
AWARDS

given to Angelini Wines & Estates wines, at national and international level



Priscilla and Artem, Angelini Holding.

SUSTAINABILITY

The statement “Wealth has but one moral justification, in its use for the creation of other sources of work”, pronounced by founder Francesco Angelini over a century ago and engraved on a plaque at the entrance to the Angelini Pharma plants in Ancona, is proof of how sustainability has always been intrinsic to the Group’s values and way of doing business, and is strongly reflected in our purpose: “Unwavering care”.

For Angelini Industries, sustainability is a transversal concept, in continuous evolution and transformation, which inspired multiple initiatives in 2023-2024.

- **Acceleration of ESG governance:** creation of a new Sustainability Department managed by the **Group Chief Sustainability Officer** reporting directly to the CEO, and development of **central and transversal teams**, designed to ease the implementation of a common ESG strategy, supported by shared targets and methodologies.
- **Design of the first Group ESG plan**, which, by taking account of and enhancing the ESG commitments already made by the Group Companies, identifies four pillars upon which Angelini Industries intends to act in the coming years: **“People”** – creating an inclusive and safe work environment where our employees have all the tools necessary to work and constantly grow; **“Patients, customers and communities”** – promoting access to treatments

and empowering our communities to combat stigma, by generating knowledge and innovating; **“Ecosystem”** – collaborating with our suppliers and the entire ecosystem to promote virtuous change; **“Planet”** – reducing our environment impact through lower impact from emissions, water and waste, and collaborating with suppliers to generate sustainable value chains. The enabling factors for achieving the ESG plan will be **governance** and **innovation**.

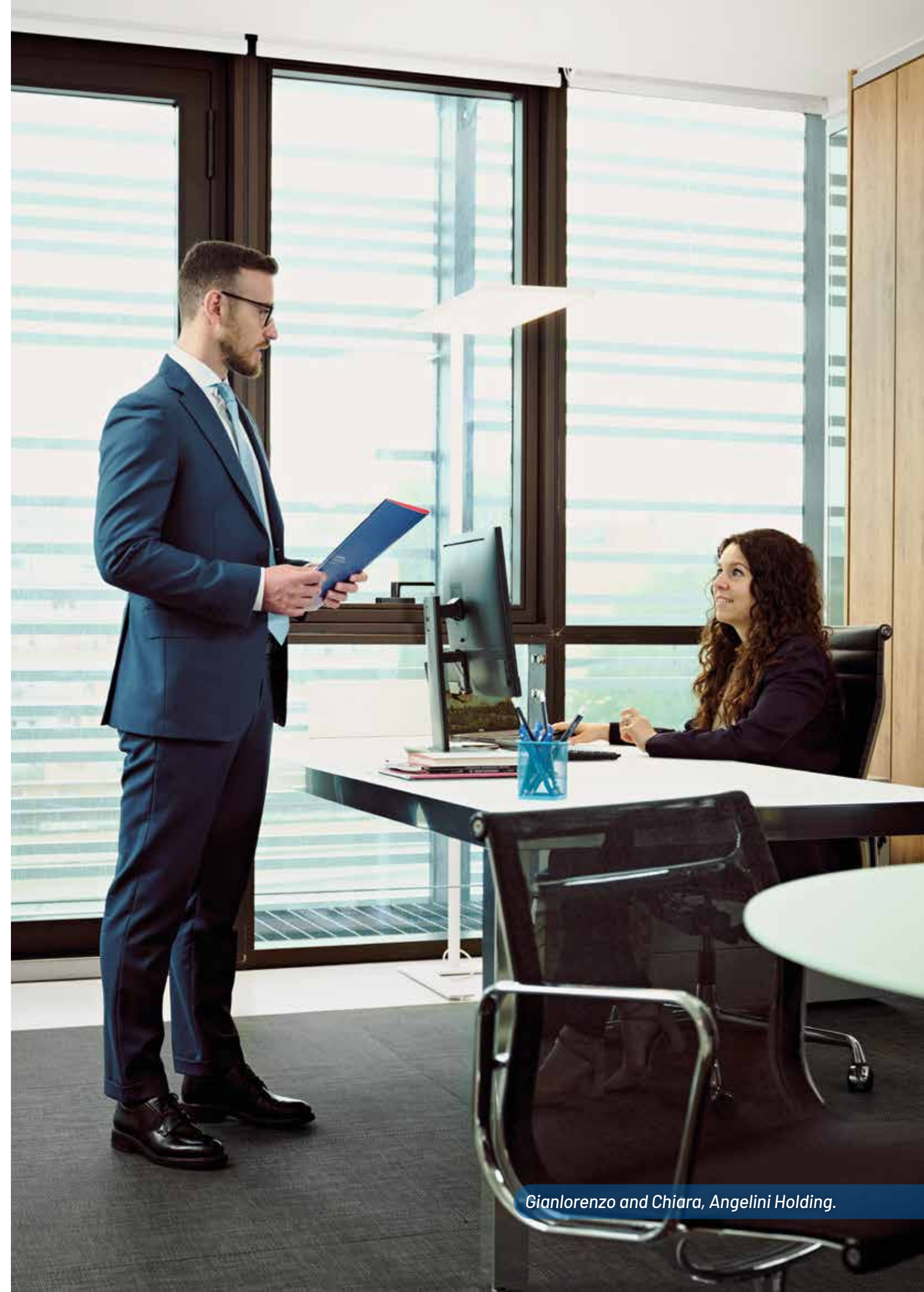
- **Refinement of the materiality analysis process**, by considerably widening the range of **stakeholders involved**. Specifically, 126 stakeholders from the following five categories were involved: 1. Vice Chairman and Chief Executive Officer (CEO) of the Parent Company Angelini Holding, 2. Members of the Leadership Team, 3. ESG Community (formed of the Sustainability Managers and the representatives from the Sustainability Teams of the operating companies), 4. Employees of the Parent Company Angelini Holding, 5. External experts who represent the world of academia, trade associations, opinion leaders, and press.
- **Strengthening of the reporting process**, in terms of data collection, through the development and implementation of a digital platform for reporting the ESG performance of the Angelini Industries Group in 2023. The platform made it possible to

collect the qualitative and quantitative KPIs of 26 Companies, in line with GRI reporting standards and in a structured manner using a traceable workflow. This made the reporting process more robust, with positive impacts in terms of data reliability and standardization.

- **Expansion of the Angelini Industries Group disclosure scope:** in addition to the Sustainability Reports of Angelini Industries, Angelini Pharma, Angelini Technologies - Fameccanica and Fater (published voluntarily for some time now, in line with GRI reporting standards and subject to external assurance), and the Sustainability Profiles of Angelini Wines & Estates and Angelini Beauty, starting this year, Angelini Ventures will also publish a Sustainability Profile.
- **ESG training** designed for increasing awareness and internal culture in relation to aspects of sustainability. In particular, the following were organized in 2023-2024:
 - a. **Sustainability Induction** sessions directed at the Leadership Teams of all Group companies. The initiative, which involved more than 50

people, was developed to achieve various objectives such as: joint discussion of the challenges associated with governance/integration of sustainability into company processes, and greater reflection on the ESG risks/opportunities associated with major regulatory changes at European level (CSRD, Taxonomy, etc.);

- b. **4-week-long gamification ("Value Games") directed at all employees**, to create internal awareness of the Angelini Industries Group values: Engagement, Innovation, Ethics and Responsibility, and Performance.
- c. **first masterclass on "Sustainability and Circular Economy"**, in collaboration with the LUISS Business School, directed at all colleagues whose activities have an impact on/are impacted by sustainability or circular economy topics. For example, the initiative strove to discuss case studies with an impact on our products/investments; to explore different methodologies for impact assessment; to examine the fundamental concepts of circular business models; to analyze certain best practices, etc.



Gianlorenzo and Chiara, Angelini Holding.

Angelini Holding S.p.A. a single-shareholder company

**CONSOLIDATED FINANCIAL STATEMENTS
AT DECEMBER 31, 2023**



*Edoardo and Dalby, Angelini Pharma;
Fabrizio, Angelini Ventures; Chiara, Angelini Technologies;
Ludovica, Jacopo, Maria Ludovica and Annalisa, Angelini Holding.*

01. Report on operations



Andrea, Angelini Technologies; Elisabetta, Angelini Wines & Estates;
Matteo, Angelini Pharma; Chiara, Angelini Holding.

INTRODUCTION

This Report has been prepared in accordance with Article 2428 of the Italian Civil Code to accompany the consolidated financial statements of Angelini Holding S.p.A. (hereinafter also “the Company”) as of and for the year ended December 31, 2023 and is intended to provide information and detailed clarification useful for understanding the operating performance and results achieved by the Angelini Industries Group during the reporting period and broken down into the business sectors in which Angelini Industries operates: Health, Consumer Goods (in the Hygiene Products, Beauty and Wine segments), and Industrial Technology, in addition to financial and real estate Holding Activities.

See Annex A for the specific indication for each individual Group company for the respective business segment.

COMPANY PERFORMANCE

The Angelini Industries Group (hereinafter also “the Group”) ended 2023 with a consolidated net profit of 98,316 thousand euros, up by 22.82% compared to 2022. The growth recorded in turnover across nearly every business segment is only partially offset by the increase in management costs, in line with the increase in business and still influenced by the inflationary trend, with a resulting significant increase in the margins. The positive effect deriving from minor adjustments to the value of the financial assets is mitigated by financial income and charges, which, albeit not reaching the overall value from the previous year, allows the Group to close 2023 with a financial result before taxes up by 48.42%.

In detail, as a result of business diversification and internationalization, the Group reported consolidated revenues of 2,149,594 thousand euros, an increase of 7.59% compared to the previous year, for 1,998,039 thousand euros.

EBITDA was 303,676 thousand euros, up by 48,937 thousand euros on the previous year. Indeed, the increases in operating costs and personnel costs, up by 5.36% and 8.08% respectively, are absorbed by the more than proportionate increase in the value of production, recorded across every business segment in which the Group operates.

The improvement in the margins is also observed with reference to EBIT, which amounts to 91,163 thousand euros, up by 51,892 thousand euros compared to December 31, 2022, thanks to the additional contribution provided by the drop in amortization and depreciation, provisions and writedowns for the period for 2,955 thousand euros.

Financial income and expenses closed FY 2023 with a positive balance of 46,738 thousand euros, mainly as a result of the financial Holding Activities performed by the companies Angelini Holding S.p.A. and Angelini Investments S.r.l.

FY 2023 closed with earnings before tax at 136,126 thousand euros, compared to 91,716 thousand euros the previous year. Due to the effect of the tax burden, equal to 37,810 thousand euros, net profit as of December 31, 2023 amounted to 98,316 thousand euros, up 18,270 thousand euros on 2022.

The Report on operations analyzes the main factors that gave rise to this increase, breaking them down into the Group’s different areas of management, namely the result of operations, assets and liabilities and cash flows, highlighting the contribution of each business area to the Group’s reported results as of and for the year ended December 31, 2023.

SIGNIFICANT EVENTS DURING THE YEAR

COMPLETION OF THE LAUNCH PHASE FOR THE ONTOZRY PRODUCT

FY 2023 was characterized by the completion of activities related to the launch of the product Ontozry (cenobamate), a drug for which the company Angelini Pharma S.p.A. signed a sublicensing agreement in 2021 for marketing, distribution and development in Italy and Europe. For the first year, Ontozry has been present in all the most significant European countries since the start of the financial year, including Italy, and has contributed to the growth of the Health business segment. Despite the considerable pressure on European healthcare (universal or insurance) following the COVID-19 pandemic, and the consequent worsening of the rules regulating the price and reimbursement of pharmaceutical products, Ontozry successfully negotiated across all markets on price and reimbursement in absolute terms (compared to Group internal benchmarks) and relative terms (compared to direct competitors on the market).

AGREEMENT BETWEEN ANGELINI PHARMA S.P.A. AND JCR PHARMACEUTICALS

On May 11, 2023 Angelini Pharma S.p.A. and JCR Pharmaceuticals announced that they had signed an exclusive international development and marketing agreement for the development of new biological therapies for the treatment of epilepsy, capable of penetrating

the blood-brain barrier. This technology – called J-Brain Cargo® – makes it possible to transport biotherapies into the central nervous system using a mechanism called receptor-mediated transcytosis. Angelini Pharma S.p.A. will invest capital up to 505 million dollars in the Japanese company.

SUSPENSION OF OPERATIONS IN THE RUSSIAN CONSUMER GOODS MARKET

In relation to the Russia/Ukraine crisis and resulting international sanctions adopted against Russia by most western countries, including Italy, the company Fater S.p.A. decided to suspend operations carried out in the Russian market through its subsidiary Fater Eastern Europe. The related equity investment, intangible assets relating to the Comet business, and the majority of the receivables in relation to the Russian subsidiary were written down at December 31, 2023.

DRAWDOWN OF THE SECOND LINE OF CREDIT FOR 400 MILLION EUROS

On October 10, 2023, the company Angelini Holding S.p.A. used Credit Line 2 equal to 400 million euros relating to the loan (hereinafter also “the Loan”) taken out the previous year with BNP Paribas, BNL S.p.A. and Mediobanca S.p.A., for a total of 1 billion euros. In the previous FY, Credit Line 1 of the loan was disbursed for an amount equal to 600 million euros.

DEVELOPMENT OF VENTURE CAPITAL ACTIVITIES THROUGH ANGELINI VENTURES S.P.A.

After the reorganization of the Company in the previous year, in 2023 the company Angelini Ventures S.p.A. made numerous new investments in venture capital companies that develop innovative solutions in the biotechnology, digital health and life science market segments. Indeed, in the FY of reference, the value of the financial investments of Angelini Ventures S.p.A. increased by over 35 million euros.

ANGELINI BEAUTY AND L'ORÉAL INTERNATIONAL DISTRIBUTION AGREEMENT FOR THE RALPH LAUREN AND MAISON MARGIELA PERFUME LINES

During FY 2023, the company Angelini Beauty S.p.A. teamed up with L'Oréal International Distribution, signing an agreement on the exclusive distribution and pro-

motion in Italy of the prestigious perfume lines Ralph Lauren and Maison Margiela. The operation, which began in July 2023, not only expands the offer of high-end products available on the Italian market, but underlines the recognition of the competence and innovative approach of Angelini Beauty when managing luxury brands at national and international level.

INNOVATION AND LAUNCH OF NEW PRODUCTS IN THE BEAUTY SEGMENT

During FY 2023, the company Angelini Beauty S.p.A. expanded its offer, launching several new products on the domestic and international market, including: Laura Biagiotti - Roma Fiori Bianchi, Trussardi - Le Vie di Milano, Trussardi - Ruby Red, and Mandarina Duck - Vida Loca.



Natasa, Angelini Ventures; Esther, Angelini Holding.

ECONOMIC SCENARIO

In 2023, the global economic scenario was characterized by several contrasting trends due, on the one hand, to the varying signs of weakening in economic activity in the United States and in China especially, where growth remained below pre-pandemic levels and, on the other hand, to the positive effect of the consolidation of disinflation, which made it possible to close FY 2023 with an inflation rate generally below expectations.

Restrictive monetary policies, impaired consumer and business confidence, and the ongoing geopolitical instability in Ukraine and the Middle East put the brakes on global economic growth: especially in the euro area, stagnation continued throughout 2023, mainly as a result of the persistent weakness in the manufacturing and construction cycle, which also extended to services in the final quarter of the FY of reference.

In particular, in the latter months of 2023, inflation was lower than expected by analysts and international regulators, and disinflation extended to all the main components of the basket, including those with prices that had begun to rise a little later. Despite this representing a fundamental figure for the strengthening of the global economy, at the latest meetings in October 2023, December 2023 and March 2024, the ECB, as well as the Federal Reserve and the Bank of England, kept their benchmark rates unchanged, in the conviction that, if maintained at the current levels for long enough, they could provide a substantial contribution to the return of inflation to the target of 2%.

In Italy, in addition to the drop in the rate of inflation, the labor market showed signs of holding, with employment continuing to grow; the profit margins, remaining

above pre-pandemic levels, as well as the decrease in the costs of raw materials, allowed businesses to record better profits.

See below for the breakdown of the main macroeconomic dynamics that characterized the various business segments in which the Group operates.

HEALTH

The **pharmaceutical** sector was confirmed as of high strategic value for the EU, with Italy contributing fundamentally to its growth. The increase in exports is proof of this, and have grown in the last 10 years at higher rates than those of the EU average and the average of the main countries; as a matter of fact, the value of exports was 49 billion euros in 2023 (+3% compared to previous year), showing a growth of approximately 90% in the last five years, well above the average of the manufacturing sector (+33% in the same period).

Moving on to the market segments in which Angelini Pharma S.p.A. operates, including through its foreign subsidiaries, the trend in the influenza curve in the first and final quarters of 2023 affected turnover positively, since the drugs in the therapeutic areas of Cough, Cold and Flu were very important for the sub-holding as well as its subsidiaries. The 2023 seasonal pathology was the highest ever recorded, with a number of total cases in Italy alone equal to 14 million (vs 6.5 million, the pre-COVID historical average). On the other hand, the COVID-19 effect (pathology and vaccinations) has completely ended. As a result, the market of prescription drugs in Italy (classes A+C+SoP), in the pharmacy chan-

nel, grew compared to the previous year (+1.4%), with a total value of 9.2 billion euros. The self-medication market reached the highest ever sell-out, consolidating the significant growth of the previous year, driven by the sub-markets of self-medication most linked to parainfluenza viruses (Cold Medicine, Inflamed Throat and Nasal Decongestants). Approximately 4 years since the start of the pandemic, the Home & Personal Care segment has come gradually back into line with the pre-COVID period (-3% vs 2019 in volume), whereas the segment of hand sanitizer, albeit recording a -53% decrease in 2023 compared to the previous year, remains at approximately the double the value of 2019.

INDUSTRIAL TECHNOLOGY

Looking at the **Hygiene** market, 2023 was a year of modest growth. The increase in the cost of money negatively influenced the demand for machinery, while favoring the sale of upgrade kits and spare parts, as well as after-sales services. The slowdown in the Chinese market significantly affected growth at global level. As for the specific product families, incontinence machinery continues to stand out for a higher growth rate. Machinery for sanitary pads for the female target, despite consumption volumes not having increased, benefited from the demand for premium products and generated the need for new production capacity. Lastly, in relation to machinery for baby diapers, the main areas of expansion were the emerging markets, where demographic growth was the most relevant. A year of transition is expected in 2024. The inflationary increases that mostly affected commodities had a significant impact on the end con-

sumer, meaning that, for sector operators, purchases of machinery in preparation for product innovation became a factor that was not strictly necessary. This phenomenon was exacerbated by the surplus in available capacity, especially on the more mature markets.

In 2025, on the other hand, a return to growth is expected based on the improvement of the macroeconomic context and falling interest rates, which should arrive at historic levels of 5% from 2026.

The **Home & Personal Care** market, and specifically in the niche in which Fameccanica operates, should grow by 4% on average until 2026. As a highly concentrated market, the performance of Fameccanica's turnover will depend on the investment policies of the main sector players, especially in Family Care.

Alongside the historical businesses of machines for disposable hygiene and Home & Personal Care products, there has been **development in robotics solutions**, which in 2023 generated double-digit growth in turnover and will form the main driver of development for 2024. A result of this development is the saturation of the production capacity at the San Giovanni Teatino (CH) plant, where an expansion of the available space will become necessary to support the growth in turnover. Investments in 2024 will mainly involve anti-seismic measures on several of the buildings of the San Giovanni Teatino campus, the completion of the program of technological upgrades to the industrial systems, and the tooling-up of new production spaces. The main challenges for the future will be centered around the construction of a robust and resilient supply chain and on the management of working capital required for the expansion in volumes.

CONSUMER GOODS

With specific reference to the Fater S.p.A. joint venture, in 2023 the markets of **hygiene products**, including diapers and sanitary pads, recorded a decrease in volume (-2%) as a result of the negative performance of demographic trends, offset in value (+1%) by the inflationary drive that affected the majority of the markets of fast-moving consumer goods. In the Feminine Care market segments, tampons recorded a very positive trend in both volume and value (+3%/+5%). The market of classic bleach (containing hypochlorite), after the boom of 2020 and 2021 due to the pandemic and the return in 2022 to pre-pandemic levels, decreased once again in 2023 (-4%), while inflation caused it to increase in value (+8%). Strong growth in both volume and value was seen in the segment of mild bleach (+9%/+16%), confirming a positive trend that has gone on for several years. Broadly positive signs were also seen in the Adult Care market (+5% in volume and +11% in value), thanks to the demographic boost, in line with recent years.

As for **Beauty**, 2023 confirmed the positive trend in the "Prestige Beauty" sector in which the Group companies operate, despite the difficult economic situation and lower growth than expected, with inflation playing a significant role in relation to consumption (Europe +11%, North America +27%, South America +15%, China +14%). In the Prestige sector, Europe achieved a volume of 16.6 billion euros in 2023, an increase of 1.7 billion euros compared to 2022 (+11.1%). With reference to the main European markets, Italy and Spain (where the Beauty division of Angelini Industries has a direct presence, in addition to Germany) were the most dy-

namic markets in value. In particular, Italy recorded 15.4% growth compared to 2022 and 30.4% compared to 2019, the pre-COVID period. Spain followed this trend with a solid +14.2% compared to the previous year, and a 21.7% increase on 2019. Compared to FY 2022, Germany and the United Kingdom showed increases of 11.5% and 11.2% respectively, followed by France with a more modest increase of 6.9%. 2023 was characterized by an increase in average price, with a higher tendency towards consumption of high-end products despite the inflationary context, influencing the growth in absolute value of fragrances (+8.6% vs 2022) and skincare (+3.9% vs 2022). Indeed, the segment of fragrances drove the market in terms of total generated value, followed by skincare and makeup, which nevertheless recorded growth, reflecting an increasingly more diversified demand from consumers. Perfume sales were concentrated in the Key Consumption Periods (KCP) such as Christmas, Black Friday/Cyber Monday, Valentine's Day, Father's Day, and Mother's Day. The Italian market, which accounts for one third of the overall turnover in the Beauty segment, was also confirmed as a strategic and expanding area. This growth was further strengthened in 2023 by the recent collaborations with the L'Oréal Group for the distribution of Maison Margiela and Ralph Lauren. Angelini Beauty S.p.A., alongside its subsidiaries, also consolidated its presence at global level, in over 80 international markets, including Russia, Germany, Spain, China and the Arab Gulf states, and in the Travel Retail channel.

With reference to the **wine** market, in the domestic market the marketing and consolidation of the launch-

es of new lines and products, in addition to the classic commercial activities of promotions and canvassing, made it possible to contain the drop in volumes derived from economic factors that characterized FY 2023 and which indicated a strong slowdown, due mainly to the trend of drawing down inventories in the reference markets, as well as a slowdown in consumption. Exports recorded a positive performance (+2.1% compared to the previous year) despite the export trend of the national economic system having experienced a mild retreat (-1% compared to 2022).

FINANCIAL AND REAL ESTATE HOLDING ACTIVITIES

With reference to the **stock market**, 2023 proved to be a record year for the Italian Stock Exchange, with the FTSE MIB recording +28%, performing better than the S&P 500 (+25%) and the average on the European stock exchanges (Eurostoxx 50 at +19%) [Source: *Il Sole 24 Ore*]. The Italian stock market outperformed the European competition, with the CAC 40 in Paris growing by 15% and the DAX in Frankfurt rising by 21%; the FTSE MIB came second only to the Nasdaq in New York, which grew 44%, and the Nikkei in Tokyo (27%). In this context, financial investments in the portfolio of the companies Angelini Holding S.p.A. and Angelini Investments S.r.l. recorded high returns, contributing significantly to the growth in the Group's profits.

Lastly, the **real estate** market in Italy in 2023 recorded a significant drop in both supply and demand. Demand for properties for sale saw a decrease in nearly every

macro area of the peninsula. The worst record was set by the North West, with -8.1% compared to the previous year, while North East, Center and Islands stopped at -1.9%, -0.7% and -0.8% respectively (figures that could indicate substantial stability compared to the end of 2022). The average price per square meter, however, increased in nearly every main city and town. Milan was confirmed as the most expensive city in Italy, with an average cost easily exceeding 5,000 euros per square meter. In Spain, where the Group operates through the Spanish branch of the company Angelini Real Estate S.p.A., the market was instead characterized by a contraction in mortgages, but with a simultaneous upswing in demand, which generated an increase in prices. Despite sub-optimal dynamics on the national and foreign markets, the company Angelini Real Estate S.p.A. acquired new Trophy Assets during the year, increasing the prestige of its real estate assets.

SUMMARY OF THE CONSOLIDATED ECONOMIC, EQUITY AND FINANCIAL RESULTS

INCOME STATEMENT

The reclassified Income Statement for FY 2023 is shown below to highlight some financial performance indicators.

RECLASSIFIED INCOME STATEMENT

(thousands of euros)

	Current year	Previous year	Difference in absolute value	Difference in %
Net turnover	2,149,594	1,998,039	151,555	7.59%
Internal production	7,023	(3,013)	10,036	< 100%
Other revenues and income	48,188	58,594	(10,406)	(17.76%)
VALUE OF PRODUCTION	2,204,805	2,053,620	151,185	7.36%
Operational external costs	1,424,064	1,351,599	72,465	5.36%
Other operating charges	48,070	50,371	(2,301)	(4.57%)
Staff costs	428,995	396,911	32,084	8.08%
EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTIZATION (EBITDA)	303,676	254,739	48,937	19.21%
Amortization, depreciation, and writedowns of working capital	212,513	215,468	(2,955)	(1.37%)
EARNINGS BEFORE INTEREST AND TAX (EBIT)	91,163	39,271	51,892	> 100%
Adjustments on financial activity	(1,775)	(9,034)	7,259	(80.35%)
Financial income and charges	46,738	61,479	(14,741)	(23.98%)
FINANCIAL RESULT BEFORE TAXES	136,126	91,716	44,410	48.42%
Income taxes	37,810	11,670	26,140	> 100%
FINANCIAL RESULT OF THE YEAR	98,316	80,046	18,270	22.82%

The consolidated **Value of Production** at the end of the year widely exceeded the threshold of 2 billion euros, recording a total value of 2,204,805 thousand euros, an increase of 7.36% compared to the previous year. There was a widespread increase in revenues in every industrial business segment of the Group, with the Health segment recording revenues for 1,220,894 thousand euros (equivalent to 57% of total revenues), the Consumer Goods segment closing the year with overall revenues of 708,440 thousand euros (representing 33% of total revenues) and the Industrial Technology business generating overall revenues for 214,854 thousand euros (or 10% of total revenues). The financial and real estate Holding Activities made a marginal contribution to the growth in consolidated revenues for a value equal to 5,406 thousand euros. In the **Health** business, the growth in turnover for 41,524 thousand euros was driven by the increase in revenues on the international markets, where better results were recorded in nearly every country, in particular in Eastern Europe and Russia, with the exception of Greece. The increase on the foreign markets, attributable to an increase in sales volumes as well as an increasing inflationary effect on prices, particularly in countries like Turkey and Russia, was partially offset by the decrease recorded on the Italian market. The “Licensing Out” business unit of Angelini Pharma, responsible for product portfolio development through licensing and procurement contracts with foreign partners, and the “Fine Chemicals” business unit, which oversees the sales of active substances, also contributed to the growth in turnover of the Health segment. The total contribution of the two business units to the overall growth of the sector exceeds 12 million euros.

At product level, the growth of the Health business, especially in the foreign markets, is linked to the turnover performance of several global products including: i) the Tantum line, where the increase is attributable to the performance of the influenza curve, which recorded higher values than on average during FY 2023, and the increase in morbidity in general, which affected all products in the Cough, Cold and Flu therapeutic areas positively; ii) the Ontozry (cenobamate) product in the area of epilepsy, which in late 2023 recorded presence in all the most significant European countries and successfully negotiated across all markets on price and reimbursement in absolute terms (compared to Angelini internal benchmarks) and relative terms (compared to direct competitors on the market); iii) the Erdomed product, again in the area of respiratory conditions, which saw a growth in turnover especially in Poland and the Czech Republic; iv) the increase in Trittico, across nearly every country, particularly Poland and Russia, where the growth trend is consistent with the more and more pronounced increase in mood and sleep disorders observed at world level. The turnover of the ThermaCare product went against the market trend, where the decrease compared to the previous year was seen especially in the German and American territories, as a result of strong market competition, a milder climate in recent years, and a high stock held by wholesalers generated in previous periods. The decrease on the Italian market, however, was mainly linked to the Tachipirina brand in the Prescription Medicine segment, in light of the absence of the exceptional circumstances of COVID-19, which also characterized FY 2022. This said, the product’s 2023 turnover was higher on average than what was recorded in the years

prior to COVID. Where Consumer Healthcare products are concerned, in step with Tachipirina, Amuchina was also affected by the absence of COVID-19 and showed a strong decrease in turnover compared to the previous year. Among other products, Infasil and Moment also recorded a very positive, upward trajectory.

The **Consumer Goods** sector also performed extremely well, recording an overall net increase of 73,930 thousand euros. Specifically, Fater S.p.A., 50% owned, and its subsidiaries showed revenues for 550,255 thousand euros; the improvement on the previous year was attributable to organic growth in volumes, as well as an increase in the prices of the products marketed, a consequence of the strong surge in raw material and energy prices already recorded in the previous year.

The Beauty division of the Group also closed the year up on the previous period, with overall revenues of 127,736 thousand euros, an increase of 15,289 thousand euros compared to 2022, driven especially by the highly profitable markets in Italy, Iberia, Russia, and North Europe, which showed a positive double-digit trend, confirming the effectiveness of the expansion strategy on an international scale. In particular, consolidated brands like Trussardi, Biagiotti, and Armand Basi made a significant contribution to the increase in turnover in absolute value, recording a high single-digit and double-digit increase.

Lastly, with reference to the Wine segment, revenues amounted to 29,842 thousand euros, recording an increase of 488 thousand euros compared to 2022. The growth in revenues in the Wine segment is a result of the price review implemented to counter the rising costs of production and energy, which began to rise in 2022.

The **Industrial Technology** business recorded an increase in revenues of 37,367 thousand euros, ending FY

2023 with a turnover of 214,854 thousand euros, compared to 177,487 thousand euros in the previous year. This increase is not attributable to the industrial performance, but to a lower contribution of revenues in the consolidated financial statements of the previous year by the company Fameccanica.Data S.p.A.; as a matter of fact, 50% of the overall results as at June 2022 had been adjusted in the Income Statement, since the acquisition of 100% of the equity investment by Angelini Technologies S.p.A. had taken place in the same period. Net of this effect, the Industrial Technology business saw a slight decrease caused by the trend of the intake from several delays to the delivery of orders. Lastly, with reference to the **Holding Activities** and, specifically, the management of the Group's real estate assets by Angelini Real Estate S.p.A., revenues of 3,618 thousand euros were recorded, down on the previous year in relation to several property sales in 2022.

At December 31, 2023 the Group recorded an **EBITDA** of 303,676 thousand euros, up by 48,937 thousand euros compared to the previous year, despite the aforementioned notable increase in external operating costs, which closed the current year with an increase of 72,465 thousand euros, and personnel costs, which increased by a total of 32,084 thousand euros.

In the **Health** business, operational external costs recorded a slight increase of 4,720 thousand euros, particularly in the costs for raw and auxiliary materials and consumables, and in the costs for use of assets owned by others. This increase was partially offset by a decrease in costs for services, particularly promotional services; on the other hand, there was a notable increase in personnel costs, equal to 12,539 thousand euros, mainly due to the adjustment of salaries to inflation.



Carlo, Angelini Pharma.

In the **Industrial Technology** business, there was an increase in external operating costs of 43,294 thousand euros, but it should be considered that this difference is affected by the non-immediate comparability of the comparison periods, due to the line-by-line consolidation of Fameccanica.Data S.p.A. from June 2022. Net of this difference, the external operating costs increased more than in proportion to the increase in volumes, mainly as a result of the increase in the cost of raw materials. This phenomenon is essentially attributable to the diverse mix of products and the commercial strategy taken to increase the market share.

In the **Consumer Goods** business, the external operating costs increased by 25,140 thousand euros, particularly costs for services in the Fater S.p.A. joint venture in relation to promotional costs; on the other hand, costs for raw and auxiliary materials and consumables decreased mainly due to the interruption to Fater's business in Russia, which brought about a decrease in operating costs totaling 7,325 thousand euros.

As for **Holding Activities**, operating costs fell by 689 thousand euros. Although the amount is not particularly relevant, it should be noted that the costs pertaining to the management of IT infrastructure, carried out by Angelini Holding S.p.A. in favor of its subsidiaries, increased, and compensation of directors decreased, since an incentive linked to targets had been recognized in the previous year. Costs for advertising linked to the rebranding campaign of the Angelini Industries Group, mostly occurring in FY 2022, also decreased. Angelini Holding S.p.A. also participated in the increase in personnel costs with a difference of 3,616 thousand euros, linked to new employees hired and settlements paid to outgoing employees.

The **EBIT** stood at a total of 91,163 thousand euros, with an increase of 51,892 thousand euros compared to the previous year (39,271 thousand euros at December 31, 2022). The item was positively influenced by the decrease in depreciation and amortization recorded in 2023, attributable to the end of the depreciation period of several assets in the previous year; furthermore, the lack of significant writedowns of businesses in the current year, unlike the previous year, made an additional contribution to increasing the margins at consolidated level.

Earnings before taxes recorded by the Angelini Industries Group at the end of FY 2023 were 136,126 thousand euros, up by 44,410 thousand euros compared to the previous year (91,716 thousand euros at December 31, 2022). The increase in the item is mainly attributable to the good performance recorded in the various business segments, offset by the lower financial income achieved at the end of the current year, equal to 46,738 thousand euros, compared to 61,479 thousand euros in the previous year. The downward difference should be analyzed by taking account of the increase in interest expense on the loan taken out by Angelini Holding S.p.A., for which as at October 10, 2023, activation of the additional Credit Line for 400 million euros was also requested. There was also an increase in the interest income on the giro account held with the Parent Company Angelini Finanziaria S.p.A., and in the interest income on bank current accounts. Moreover, there was a notable increase in the positive differential swap for the IRS stipulated to cover the interest rate on the bank loan for 1 billion euros. At the same time, the minor adjustments made to financial assets should

be noted, relating to the recognition of the MTM of the derivative financial instruments and the writedown of equity investments in other non-consolidated companies, which at December 31, 2023 amounted to 1,775 thousand euros compared to 9,034 thousand euros in FY 2022.

At the end of FY 2023 the Angelini Industries Group reported **Net Profit** of 98,316 thousand euros, up 18,270 thousand euros from the previous year. The tax effect on taxable income was 37,810 thousand euros, up on the previous year for 26,140 thousand euros. The difference was influenced by the approval by the Revenue Agency of the request relating to the reorganiza-

tion of the Arvelle Therapeutics Group requested in 2022, and which led to a decrease of around 13 million euros in the 2022 tax burden of the company Angelini Pharma S.p.A.

Finally, the main profitability ratios are shown with a comparison to the values for the previous year.

ECONOMIC RATIOS	Current year	Previous year
Net ROE (Net Income/Equity)	3.26%	2.68%
ROI (EBIT/Total Assets)	1.91%	0.88%
ROS (EBIT/Net Turnover)	4.24%	1.97%

Despite the decrease in the profitability of equity capital, as a direct consequence of the more pronounced increase in Equity compared to the net profit for the

year, there was a clear improvement in the profitability ratios and ROI and ROS benefited from the recovery in the margins achieved by the Group during FY 2023.

BALANCE SHEET

Below is the Consolidated Balance Sheet as at December 31, 2023, reclassified according to financial criteria.

RECLASSIFIED BALANCE SHEET - ASSETS

(thousands of euros)

	Current year	Previous year	Difference in absolute value	Difference in %
CURRENT ASSETS	2,669,974	2,286,794	383,180	16.76%
Cash and cash equivalents	698,160	458,609	239,551	52.23%
Receivables	1,598,234	1,466,932	131,302	8.95%
Inventory	373,580	361,253	12,327	3.41%
TOTAL FIXED ASSETS	2,099,515	2,192,739	(93,224)	(4.25%)
Intangible assets	1,313,593	1,426,508	(112,915)	(7.92%)
Tangible fixed assets	461,604	420,894	40,710	9.67%
Financial fixed assets	324,318	345,337	(21,019)	(6.09%)
TOTAL INVESTMENTS	4,769,489	4,479,533	289,956	6.47%

RECLASSIFIED BALANCE SHEET - LIABILITIES

(thousands of euros)

	Current year	Previous year	Difference in absolute value	Difference in %
CURRENT LIABILITIES	883,984	769,699	114,285	14.85%
NON-CURRENT LIABILITIES	780,494	618,090	162,404	26.28%
PROVISIONS	90,898	102,729	(11,831)	(11.52%)
EQUITY	3,014,113	2,989,015	25,098	0.84%
TOTAL INVESTMENTS SOURCES	4,769,489	4,479,533	289,956	6.47%

Overall, the increase in non-current and current liabilities did not undermine the situation of strong balance and financial stability of the Group, which, at the end of the current year, stood out for total coverage of fixed investments through Equity and for an effective correlation between short-term assets and liabilities and between medium/long-term sources of financing and loans.

Current assets at December 31, 2023 were 2,669,974 thousand euros, an increase of 383,180 thousand euros compared to the previous year. The increase in cash and cash equivalents, mainly concentrated in the company Angelini Holding S.p.A., holder of the cash pooling arrangement with the Group companies, was largely determined by the activation, during the year, of the second Credit Line for 400 million euros, of the loan taken out during 2022, for which only one part had been used in the previous year (Credit Line 1 equal to 600 million euros), minus the distribution during the year of a dividend of 40 million euros to the sole shareholder Angelini Finanziaria S.p.A. The financial Holding Activities had a significant impact on the increase in the deferred liquidity of the Group, with new stipulations of cash pooling current accounts with subsidiaries excluded from the consolidation, and therefore presented in the consolidated financial statements at purchase cost, contributing to the increase in financial assets for 26,061 thousand euros. Further contribution came from the operations carried out during the year, which increased the net value of the securities in the portfolio by 70,705 thousand euros, especially thanks to new investments in bonds for 186,789 thousand euros. The increase in inventories was mainly concentrated in the Health sector, which recorded an increase of

15,442 thousand euros, offset by the decrease in the Consumer Goods sector for 3,585 thousand euros. This increase can be attributed to several factors: first and foremost, the increase in purchase prices linked to inflation, a slowdown in sales in the final month of the year compared to forecasts, and an unsurprising increase in inventory in light of higher sales forecasts for the following year.

In relation to the Consumer Goods sector, the largest decrease was concentrated in the companies belonging to the Fater S.p.A. joint venture, which recorded a decrease in inventory of 4,151 thousand euros, mainly affected by lower volumes in stock and a reduction in purchase prices; on the other hand, there were increases in the Wine segment for 1,314 thousand euros, mainly arising from the increase in internal production.

At the end of the year, **Fixed assets** amounted to 2,099,515 thousand euros, a decrease of 93,224 thousand euros compared to the previous year. Intangible fixed assets decreased substantially due to the amortization rate in the year, albeit recording overall investments in the year for 28,171 thousand euros, allocated mainly to licenses and patents.

For tangible fixed assets, in 2023 the Holding Activities sector was characterized by considerable investments in the Real Estate segment, with the acquisition of two prestigious properties, for a total value of 37,364 thousand euros, with continuation of the activities to progress works on the third phase of the renovation of the “Casa Angelini” headquarters, for 8,129 thousand euros, and with renovation works on a noble building on Rambla de Catalunya in Barcelona, for 4,314 thousand euros. In other divisions, investments in tangible fixed assets were aimed at production plants in the Consum-

er Goods sector and research plants and laboratories in the Health sector.

Lastly, financial fixed assets decreased by 21,019 thousand euros, mainly as a result of the value adjustments in the period and the decrease in the mark-to-market of derivative financial instruments, net of capital contribution payments made during the year in favor of the subsidiaries and affiliated companies not consolidated on a line-by-line basis, proportional basis, or at equity.

Current liabilities and non-current liabilities closed the year higher than the previous year, for 114,285 thousand euros and 162,404 thousand euros respectively. Current liabilities rose due to the increase in payables to employees, tax payables, payables to suppliers, offset by a decrease in the item “down payments”, and especially due to the increase in payables to banks, which, albeit increasing, were affected by the decrease in the bank debt of the Fater S.p.A. joint venture for 25,197 thousand euros. The increase, on the other hand, refers to the short-term portion, equal to 144,082 thousand euros, of the bank loan granted to Angelini Holding S.p.A., as specified below. Non-current liabilities increased following the activation of the second Credit Line, equal to 400 million euros, of the loan for 1 billion

euros held by the consolidation Parent Company Angelini Holding S.p.A. The difference was offset by the decrease due to the early repayment of the Angelini Investments S.r.l. loan for 50 million euros.

Provisions for risks and charges decreased by 11,831 thousand euros compared to the previous year.

Provisions for the period in the Health sector mainly derive from returns of goods and provisions for payback regarding the repayment of healthcare expenses, as well as provisions for prize contests. In the Consumer Goods sector, the item refers mainly to provisions for discount vouchers and prize contests. Lastly, in the Industrial Technology sector, there were provisions for risks and charges relating to the guarantee services and installation of machinery already delivered to the end customer.

Group **Equity** at the end of the year amounted to 3,014,113 thousand euros, an increase of 25,098 thousand euros compared to December 31, 2022. This difference was determined by the profit for the period, by the dividends approved and paid to the sole shareholder Angelini Finanziaria S.p.A. and, finally, by the change in the cash flow hedge reserve.



Bianca, Aurelia and Giulia, Angelini Wines & Estates.

The main balance sheet ratios, compared with the values for the previous year, are shown below.

(thousands of euros)

ASSET STRUCTURE RATIOS	Current year	Previous year
Primary structure margin (Equity-Fixed assets)	914,598.00	796,276.00
Primary structure quotient (Equity/Fixed assets)	1.44	1.36
Secondary structure margin (Equity+Consolidated liabilities)-Fixed assets	1,785,990.00	1,517,095.00
Secondary structure quotient (Equity+Consolidated liabilities)/Fixed assets	1.85	1.69
Financial autonomy ratio (Equity/Invested capital)	0.63	0.67
Ratio of debt (Consolidated liabilities+Current payables)/Equity	0.58	0.50

(thousands of euros)

ROTATION RATIOS	Current year	Previous year
Inventory rotation (Net turnover/Inventory)	5.75	5.53
Current assets rotation (Net turnover/Current assets)	0.81	0.87
Investments rotation (Net turnover/Total assets)	0.45	0.45

The breakdown of the balance sheet ratios shown in the tables above denotes an optimal Group economic and financial balance. Compared to the previous year, there was a further improvement in all structure ratios and rotation of working capital.

FINANCIAL MANAGEMENT

The following table provides a breakdown of the Group's Net Financial Position at December 31, 2023.

NET FINANCIAL POSITION

(thousands of euros)

	Current year	Previous year	Difference
Cash on hand	136	73	63
Bank and postal current accounts	698,024	458,536	239,488
Securities and derivative financial instruments	511,654	442,198	69,456
a) Cash and cash equivalents	1,209,814	900,807	309,007
b) Current financial receivables	409,025	382,964	26,061
c) Non-current financial receivables	16,769	47,537	(30,768)
Current bank liabilities	164,831	89,120	75,711
Other current financial debts	1,043	947	96
d) Current financial liabilities	165,874	90,067	75,807
e) Current Net Financial Position (Indebtedness) (a+b+c-d)	1,469,734	1,241,241	228,493
Non-current bank liabilities	780,494	604,890	175,604
Other non-current financial debt	0	0	0
f) Non-current Financial Position (Indebtedness)	780,494	604,890	175,604
NET FINANCIAL POSITION (INDEBTEDNESS) (e-f)	689,240	636,351	52,889

As shown by the data and the breakdown, the Group's Net Financial Position increased by 52,889 thousand euros compared to the previous year, further consolidating a position of strong solvency and financial stability. As already noted in previous paragraphs, the increase in short and medium/long-term bank debt is largely offset by the clear increase in liquidity.



Maya, Fabrizio and Filippo, Angelini Ventures.

R&D ACTIVITIES AND INVESTMENTS

Investment in Research and Development activities in the **Health** sector has always been one of the cornerstones of the Angelini Pharma S.p.A. growth strategy and this year it was once again one of the main uses of the economic and financial resources generated by operations, despite the scarcity of subsidies in Italy. During the fiscal year, the R&D activity continued, conducted by the in-house structure with the use of highly advanced instruments and equipment, a specialized staff of 168 employees, in addition to other external organization costs, also including consultants of an international level, for a total investment of about 9% of sales to third parties. All R&D projects are considered strategic or showed interesting prospects in several identified areas, especially in the context of central nervous system health and, in particular, for epilepsy, with the continuation of the ongoing studies and implementation of new in-depth and clinical development studies in line with European regulations. Research in the speciality area is increasingly enhanced by the opportunities offered by digitalization and the focus on finding innovative solutions for the management of complex diseases that negatively impact patients' lives. In the area of technology and within the funded project Marche Biobank, research on the use of 3D printing for the preparation of pharmaceutical forms for pediatric and personalized use was completed, which allowed Angelini Pharma S.p.A. to acquire new specific expertise in the development of drugs using innovative technologies. Angelini Pharma S.p.A. also had the possibility to carry out joint research, collaborating with various players in the Marche region, sharing useful methods and technologies for the development of pharmaceutical products. The Eternal R&D project also continued, funded by the European Commission as part of the Ho-

rizon Europe program, intended to research new production processes that allow for energy savings and a more rational use of solvents. In 2023, a new project was launched, named "Smart Pharma", co-funded thanks to the NRRP - Fund for Sustainable Growth, Agreements for Innovation, intended to support the digital and environmental transition in the Italian production plants of Angelini Pharma, using an integrated approach. Some of the specific goals are to reduce energy consumption and optimize costs by transitioning from preventive maintenance to real-time and predictive maintenance, while also improving format change and line cleaning processes.

With reference to the **Industrial Technology** sector, in FY 2023 the Research and Development activities in the Hygiene area were aimed at the introduction of innovation for machinery and finished products. Note, in relation to the former: the creation of a modular platform for incontinence, the modification of several processes of the platform for sanitary pads for the female target intended to greater satisfy the requests of the reference market, the in-line processing of the raw material, and the design of production processes intended to create environmentally sustainable products. Product innovations, on the other hand, were mainly centered around open diapers for children. In line with the diversification strategy, platforms were created for the packaging of liquids including through the use of recyclable materials, the existing platform for single-dose tablets was improved, and robotics systems were developed for the automation of integrated logistics processes. Lastly, with the end goal of making the production platforms even more intelligent and auto-adaptive, a project was carried out focused

on the development of digital applications that make it possible to enable new service propositions in the IoT area, by leveraging artificial intelligence. In the coming years, research will continue on the optimization of the modular platforms to create disposable hygiene products in order to increase their competitiveness on the reference market, the development of environmentally sustainable products and production processes, and the improvement of raw material cutting processes. The robotics sector strengthened its central role in the Company's prospects for growth; therefore, much of the research efforts shall be aimed at identifying innovative high-performance solutions to manage the shelves of intensive warehouses. To protect and increase intellectual property assets, 18 new patent applications were filed in the past year.

In the **Consumer Goods** sector, R&D activities continued during the year, conducted by the internal structure of the Technology Innovation Department of Fater S.p.A., using tools, equipment and specialized personnel. Around 110 employees (including approximately 70 researchers) are joined by consultants and external services, who supported:

- the business in the sectors of Baby Care (diapers, baby wipes and baby changing mats), Feminine Care (female sanitary pads), and Adult Care (products and aids for incontinence in adults);
- the Fabric & Home Care (bleach, detergents, laundry additives, cleaning products for the home, hard surfaces and fabrics).

In relation to the Baby Care and Feminine Care categories of personal care products, Procter & Gamble Company, through its own research facilities, continued to provide support and technological updates for product

development. In 2023, the commitment to Technology Innovation in the categories of Fabric & Home Care as well as personal care products, was once again aimed at research on improvements to product performance and, in parallel, cost containment. As part of its approach to research and innovation, several years ago Fater launched a series of scientific collaborations, for the Fabric & Home Care category, with national and international universities and other private and academic research centers. It aims to strengthen the foundations for future developments. For instance, an excellent example includes the study for the development and improvement of olfactory, visual and tactile methods for product assessment, at the basis of many of the Company's R&D techniques. Other projects focused on more effective technologies in terms of product performance, also aiming to reduce environmental impacts, such as in the studies for the mass reduction of chemicals through catalysis. In 2023, Fater funded two industrial doctorates and opened its laboratories for one week in September 2023 for the training of PhD students at the "2nd Summer School of Science-Based Formulation". Collaborations with universities substantiate the Company's desire for an ongoing exchange of knowledge with academia, in an open system aimed at strengthening the link between universities and the world of work.

Furthermore, with reference to the Beauty division of the Group, in 2023 Angelini Beauty S.p.A. carried out R&D activities linked to the design and development of primary and secondary packaging, also followed by legal actions to protect intellectual property. The related costs were entirely expensed in the year.

INFORMATION REGARDING PERSONNEL, SECURITY AND ENVIRONMENT

In the **Health** business sector, the Global HR & Organization department of Angelini Pharma S.p.A. completed important projects for personnel protection and development in the last two-year period and particularly during the reporting period, summarized below:

- **Flexible Working.** Pregnant employees were given the possibility to access an extended Flexible Working regime for the entirety of their pregnancy and the parent (biological, adoptive or foster) could voluntarily access a Flexible Working regime extended up to three years from the birth, adoption or pre-adoptive foster care. The Flexible Working policy was revised for the entire company population to offer more flexibility and inclusivity, capable of meeting the needs of the different generations within the Company. Angelini employees who are eligible for Flexible Working have a capital of 100 days that can be used freely, provided that their presence in the office is guaranteed on the "core days" defined by their respective department in order to promote team activity and collaborative work.
- **Global Opinion Survey.** A recurring program of listening to and valuing people's needs, typically biyearly. Following the survey, in 2023 the Company had multi-disciplinary work groups focus on speeding up decision-making dynamics, the topic of equal opportunities, and inclusive leadership.
- **Shadow Board.** The Shadow Board initiative, which reached its third edition in 2023, is part of an approach towards greater involvement of new generations in Angelini Pharma's strategic decisions. This project brings together an international team of young people with great potential, with the aim

of collaborating with the Executive Leadership Team, and influencing their decision-making agenda.

- **Key Positions Map and Succession Planning.** Angelini Pharma annually engages all business leaders, from staff functions and international markets, to review the organization in terms of key position, internal succession plans and identification of development plans to mitigate the risk of resignation of key roles and to prepare successors.
- **Talent Management and Career Development.** Angelini Pharma redesigned processes and tools for identifying the most talented people, with the twofold aim of enhancing the potential of all people in the organization and offering management and development processes functional to retention and career advancement to relevant target positions, with reference to the Angelini Industries Group's entire professional ecosystem. Angelini Pharma is also working on strengthening internal mobility (national and international, corporate and inter-company), in terms of both culture and processes.
- **Revised Performance Management.** The performance review process was consolidated with the possibility to formally express and share aspirations for the future.
- **Angelini Group Academy and My Development Garden:** two integrated programs for the development of all Angelini Pharma people. To complement this, a development and coaching program targeting the entire corporate population was designed and implemented. Its training objectives were designed

according to peoples' needs: Aptitude Journey, Global Survey, Performance Management, and Talent Assessment.

- Adaptive Total Rewarding Model. Dynamic pay model that serves the peculiarities of local markets, the most critical professional families (e.g., the medical area professional family) and different segments of the population (e.g., talents). New MBO and LTI policies (including over achievement and multipliers) were introduced, and the offer to the employee was completed by a series of services in the people care area, designed in keeping with the peculiar historical moment (special needs related to the pandemic situation) and the needs expressed by the employees in opinion surveys.
- Diversity & Inclusion. Some time ago, Angelini Pharma embarked upon a structured Diversity & Inclusion journey, highlighting how the company values people, not only those to whom it offers health solutions, but those who make this possible every day. As confirmation of its commitment, in December 2023 Angelini Pharma obtained UNI/PdR 125:2022 certification on gender equality for its Italian offices. Over the years of the plan, Angelini Pharma intends – in an increasingly structured manner – to work towards certifications similar to the Italian UNI certification for its foreign affiliated companies.

In 2023, Angelini Pharma began to approach environmental, social and governance (ESG) topics systematically thanks to the work carried out by the Executive Leadership Team and an interfunctional team created for this purpose. This made it possible to define and validate the Company's sustainability strategy, which includes specific environmental, social and governance actions and targets over the short, medium and long term, to be implemented starting from 2024.

Significant investments were also made in training personnel in the **Industrial Technology** sector. In the period in question, approximately 16,200 hours of training were delivered, with the aim of guaranteeing continuous professional and skills development. The development of managerial, operational and relational skills was supported through Angelini Academy training programs, with courses designed and delivered in collaboration with the biggest national and international Business Schools. In particular, training involved the following areas:

- Occupational safety;
- Environment and energy efficiency, Sustainability;
- Cybersecurity;
- Digital transformation and digital productivity tools;
- Basic, advanced and collaborative robotics; vision systems;
- Advanced mechanical and electrical design tools;
- Tools, systems and processes of the Fameccanica machines;
- Purchasing and Category Management;
- Soft Skills;
- Intellectual property;
- Regulatory refreshers (231, GDPR), Group Code of Ethics;
- Brand identity, Brand architecture, purpose and vision;
- Lean Six Sigma.

In order to corroborate the central role of ESG company sustainability topics, in 2023 Fameccanica underwent assessment by one of the leading sustainability rating players (EcoVadis), and received a silver medal in January 2024 for its ranking among the top 15% of companies assessed by EcoVadis, and among the top 4% of companies in the sector of production of machinery for general use.



Paolo and Federico, Angelini Technologies.

With reference to the **Consumer Goods** sector, Fater S.p.A. is strongly committed to encouraging the contribution of individuals, by increasing their skills and experience and promoting a safe and inclusive working environment based on trust, where everyone can express their full potential. The Company developed and applies a People First strategy, which seeks to ensure people have the best working experience possible in an environment of mutual trust and well-being. In 2023, the Fater Italia team was made up of 1,377 people who dedicated their time and effort to the results achieved, working at the headquarters and in the production plants in Pescara and Campochiaro (CB). 23% are women, who have a more pronounced presence among the managerial positions. In 2023, the turnover ratio was +102. In 2023, Fater S.p.A. confirmed its hybrid working model, which allows all positions that can be managed remotely to choose whether to work from anywhere or from the office. In this way, the Company strives to create a work-life balance while making the most of the value of in-person meetings with colleagues from the perspective of building relationships and exchanging experiences. 41,792 hours of training were delivered in 2023, in addition to training on safety and quality. Activities promoted for the benefit of employees included a solid welfare plan accessible from the company intranet, no limit on annual leave for executives (it was already in place for managers) and a contribution of up to 3,000 euros as a bonus for all employees with children of playschool age, to cover registration, attendance, tuition and meal costs related to public or private playschool. Fater S.p.A., certified SA 8000, bases its People First strategy on listening and dialog. Each year a survey is carried out on the internal climate, which confirmed a positive relationship between employees and the company in 2023.

The focus on the environment is a key factor in the definition of the business strategy of Fater, which has welcomed the goal to become Net Zero by 2040 and, to this end, has identified a clear process to reduce the medium- and long-term impacts, with defined targets and KPIs in line with the findings of the materiality analysis conducted.

Safety at work is the main objective for Fater S.p.A. An Occupational Health and Safety Management System compliant to ISO 45001:2018 is in operation at the Company. The Management Systems are applicable to all activities conducted at the certified offices and to the personnel therein, under ordinary and emergency operating conditions, according to the duties indicated in the Risk Assessment Document (RAD) approved by the Executive Committee of Fater S.p.A. (employers). Annual checks are performed on the safety systems via internal and external audits. The safety procedures periodically undergo analysis and review by the HSE team.

In the **Wine** segment, Angelini Wines & Estates has always invested in the continuous training and active participation of all personnel, with various information activities and tools. The training events sought to strengthen and standardize knowledge and behaviors in relation to aspects of hygiene, food safety, safety in the production sites, and of environmental and social sustainability. In FY 2023, all the Wineries achieved certification according to international standard IFS 7 and also began the process for sustainability certification according to the Equalitas standard (Tenuta Tre-rose is already certified).

COMPANY RISK MANAGEMENT

CREDIT RISK

Credit risk – which to date has not produced significant effects – is closely linked to the condition of liquidity in the reference markets, and the evolution of the macro-economic environment, which could result in potential insolvencies arising from the failure of customers to fulfill their contractual obligations.

This risk is constantly monitored through the customer creditworthiness assessment procedure, as well as through extensive coverage activated with leading insurance partners.

MARKET RISK (HEALTH BUSINESS)

The general conditions of the domestic and international economies, levels of disposable income and credit market conditions represent, for the business in which the Group operates, risks that can affect operating performance, especially through regulatory interventions that the governments of the countries served by the business may implement, to the detriment of margins.

To address these risks, even in difficult contexts such as the present, the Group takes all necessary actions to support the value of the product portfolio as recognized by the relevant markets.

MARKET RISK (CONSUMER GOODS BUSINESS)

Assessment of external events potentially liable to affect the activities of Fater is carried out periodically and involves the governing bodies of Fater S.p.A. From a demographic perspective, the birth rate also recorded a significant decrease in 2023, in line with the trend

in recent years. The number of women of menstrual age, namely between 12 and 54 years, also continued its downward trajectory in 2023 (-1.2% compared to the previous year). The over-55 population followed an opposing trend (+1.5% compared to the previous year), which confirmed the constant growth recorded in previous years. As a result of this scenario, the brands Pampers and Lines saw their market share consolidate, thanks to the success of product innovations and commercial activities brought to the market, which further strengthened consumer loyalty towards these brands. Albeit in a macroeconomic scenario characterized by strong uncertainty due to the international geopolitical situation and resulting inflation that affected most consumer goods markets in Italy, on the markets where Fater S.p.A. is present, there were no significant down-tiering phenomena (consumers shifting from products in high-end segments to low-end segments).

MARKET RISK (INDUSTRIAL TECHNOLOGY BUSINESS)

There is no particular market risk considering the leadership position held by the Group companies operating in the sector. Nevertheless, a tightening of the financing policies by financial institutions could negatively impact the investment decisions of the main sector players.

PRODUCT RISK (HEALTH BUSINESS)

The Health sector in which the Group operates has an inherent risk related to the possible defectiveness/toxicity of products for which industry regulations would impose the possible withdrawal of batches from

the market, up to, in the most serious cases, the withdrawal of the marketing authorization for the product. In addition to applying good practices aimed at monitoring and quality control of the entire production cycle and having adequate insurance coverage for product risk, the Group can count on the fact that a significant share of its sales is generated by drugs whose active ingredients are not newly discovered and are not considered risky from a pharmacopoeia perspective.

PRODUCT RISK (CONSUMER GOODS BUSINESS)

The product quality procedures applied by Fater S.p.A. establish a rigorous program for supplier qualification, control of raw materials, and production process monitoring. Qualified suppliers formally certify the conformity of each supply with the standards. Without this declaration, the raw material cannot be used. Statistical controls and audits are also conducted on suppliers. In the two plants in Pescara (personal care products) and Campochiaro (CB) (cleaning products for the home and fabrics), automatic line controls are carried out on production, and approximately 400,000 controls are carried out each month on the volumes produced, in order to detect any non-conformities in the qualitative parameters. The defect rates (number of market complaints per million standard units produced) are low, with a few dozen cases per million units. In 2023, the commitment to produce quality was once again supported through a now consolidated operator awareness plan. The plants are ISO 9001 certified, and the Pescara plant has additional ISO 13485 certification.

As for the Beauty segment, the company Angelini Beauty S.p.A. implements control procedures to guarantee the conformity and safety of its products, in terms of quality, in line with legal requirements and voluntary

certification standards. This is necessary to mitigate the risks associated with the conditions of the products issued onto the market. Furthermore, the Company has defined guidelines to manage potential accidental events, such as processes for product return and recall from the market.

In relation to the Wine market, as part of the efforts to support the culture of food safety and the quality assurance policy, there is a strong commitment of the organization at all levels, with a significant involvement of resources through careful management of the working conditions, training and skills of personnel, in order to ensure product safety. Everything is concentrated into a "self-control manual" that carefully governs operating processes, audits, complaints management, non-conformities and the related corrective actions, in order to protect the integrity of the company sites and the products manufactured. This management also includes the assessment of vulnerability to agri-food fraud for all materials used in the production process. Extension to all production sites of the IFS certifications confirms the Company's commitment to this topic. Lastly, in order to mitigate any risk pertaining to products, it should be noted that the company insurance cover includes the third-party liability policy, which covers product risk for the NAFTA area (USA, Canada, and Mexico).

LIQUIDITY RISK

The Group has a positive Net Financial Position that provides protection from liquidity risk for all companies for which, through the zero-balance cash pooling process, it can cope with any particular critical situations due to a momentary tightening of cash flow, whether resulting from a contraction in demand or relating to the emergence of potential customer insolvencies.

EXCHANGE RISK

In its businesses the Group also operates in countries with currencies other than the euro and is therefore exposed to the risk associated with fluctuating exchange rates.

Accordingly, in the case of significant exposures, the Company makes use of hedging transactions with the aim of nullifying any negative effects of exchange rate fluctuations.

EQUITY AND BOND MARKET RISK

In its liquidity management the Group makes investments in financial assets.

Specifically, such investments are made in money market instruments characterized by a low degree of risk of volatility and loss of invested capital, alongside high liquidity to meet the Group's future development investments. The potential risks associated with such a portfolio can be considered, as a percentage of overall cash invested, not high.

USE OF ESTIMATES

The preparation of financial statements, in application of accounting standards, requires the directors to make estimates and assumptions that may have an effect primarily on the values of revenues, expenses, fixed assets, receivables and inventory recognized in the financial statements, as well as on contingent assets and liabilities at the reporting date. Although assumptions and estimates are made according to principles of prudence and reasonableness, including appropriate consideration of past experience, actual results may differ from these estimates. Indeed, the criticality inherent in such assessments is determined by the use of assumptions and/or professional judgments related to issues that are by their nature

uncertain. Estimates and assumptions are reviewed periodically, and any changes in the conditions underlying the assumptions and judgments made may have a significant impact on the results for the year and subsequent years.

RELATIONSHIPS WITH SUBSIDIARIES, AFFILIATED, PARENT COMPANIES AND COMPANIES CONTROLLED BY PARENT COMPANIES

Transactions with companies belonging to the Group refer to transactions of a financial, commercial, and tax adjustment nature and are all concluded at arm's length.

BUSINESS OUTLOOK

In 2024 the Group will continue to focus its attention on implementing the strategic guidelines provided by the shareholder, developing the actions to be taken to achieve the Group's objectives in order to achieve increasingly satisfactory consolidated results.

In financial management, the Group will continue to pay attention to the process of optimizing the use of liquidity through the centralized treasury, in order to support the industrial development of the Group in the long term.

for THE BOARD OF DIRECTORS

(Vice Chairman and CEO)
Sergio Marullo di Condojanni



02. Consolidated financial statements



Giuliano, Rocco and Silvia, Angelini Holding.

CONSOLIDATED BALANCE SHEET ANGELINI HOLDING S.P.A.

(thousands of euros)

ASSETS	12/31/2023	12/31/2022
A) SUBSCRIBED CAPITAL UNPAID		
amount carried over	0	0
A) SUBSCRIBED CAPITAL UNPAID	0	0
B) FIXED ASSETS		
I) Intangible assets		
1) Start-up and expansion costs	285	377
2) Development costs	0	43
3) Patents and rights	34,451	36,887
4) Concessions, licenses, trademarks and similar rights	1,210,653	1,322,753
5) Goodwill	46,284	53,577
6) Fixed assets in progress and down payments	20,899	11,760
7) Other	1,021	1,111
TOTAL	1,313,593	1,426,508
II) Tangible fixed assets		
1) Land and buildings	240,233	228,864
2) Plant and equipment	129,149	135,301
3) Other fixtures and fittings, tools and equipment	4,087	3,818
4) Other tangible assets	11,409	13,207
5) Fixed assets in progress and down payments	76,726	39,704
TOTAL	461,604	420,894
III) Financial fixed assets		
1) Equity investments in		
a) subsidiary companies	31,240	18,059
b) affiliated companies	9,282	6,228
d-bis) other companies	249,888	256,012
TOTAL	290,410	280,299
2) Receivables		
a) from subsidiary companies		
b) from affiliated companies		
c) from parent companies		
d) from companies subject to the control of parent companies		
d-bis) other entities		
within 1 year	28	28
over 1 year	11,780	11,827
TOTAL	11,808	11,855
TOTAL 2)	11,808	11,855
3) Other investments	5,331	5,646
4) Derivative financial assets	16,769	47,537
TOTAL FINANCIAL FIXED ASSETS	324,318	345,337
TOTAL FIXED ASSETS (B)	2,099,515	2,192,739

ASSETS	12/31/2023	12/31/2022
C) CURRENT ASSETS		
I) Inventory		
1) Raw materials, consumables and goods for sale	126,750	130,420
2) Work in progress and components	36,919	33,254
3) Contracts in progress	30,414	32,963
4) Finished products and goods for resale	174,372	159,634
5) Down payments	5,125	4,982
TOTAL	373,580	361,253
II) Receivables		
1) From customers		
within 1 year	443,158	411,696
TOTAL	443,158	411,696
2) From subsidiaries		
within 1 year	5,164	16,760
TOTAL	5,164	16,760
3) From affiliated companies		
within 1 year	4,229	2,795
TOTAL	4,229	2,795
4) From parent companies		
within 1 year	30,210	31,669
TOTAL	30,210	31,669
5) From companies subject to the control of parent companies		
TOTAL	0	0
5-bis) Tax receivables		
within 1 year	52,874	50,349
over 1 year	2,174	2,252
TOTAL	55,048	52,601
5-ter) Deferred tax assets		
within 1 year	80,536	68,765
over 1 year	1	1
TOTAL	80,537	68,766
5-quater) From others		
within 1 year	38,641	42,415
over 1 year	3,257	3,609
TOTAL	41,898	46,024
TOTAL RECEIVABLES	660,244	630,311
III) Financial assets that do not constitute fixed assets		
4) Other equity investments	0	0
5) Derivative financial assets	357	1,606
6) Other investments	511,297	440,592
7) Financial receivables for cash pooling management		
a) from subsidiary companies	13,121	1,512
c) from parent companies	395,904	381,452
TOTAL	920,679	825,162
IV) Cash and cash equivalents		
1) Bank and postal current accounts	698,024	458,536
2) Cash on hand	136	73
TOTAL	698,160	458,609
TOTAL CURRENT ASSETS (C)	2,652,663	2,275,335
D) TOTAL PREPAID EXPENSES AND ACCRUED INCOME	17,311	11,459
TOTAL ASSETS	4,769,489	4,479,533



Marcello, Fater.

LIABILITIES	12/31/2023	12/31/2022
A) EQUITY		
GROUP EQUITY		
I) Capital	3,000	3,000
II) Share premium account	458,698	458,698
III) Revaluation reserves	802,431	802,431
IV) Legal reserve	601	601
V) Statutory reserves	0	0
VI) Other reserves		
1) Extraordinary reserve	38,789	78,789
2) Consolidation reserves	66,848	66,848
3) Currency translation reserve	(61,920)	(52,743)
4) Other	1,709,768	1,709,768
TOTAL	1,753,485	1,802,662
VII) Cash-flow hedge reserve	12,717	36,133
VIII) Retained earnings	(115,156)	(194,577)
IX) Profit (loss) for the financial period	98,316	80,046
TOTAL GROUP EQUITY	3,014,092	2,988,994
THIRD-PARTY CAPITAL AND RESERVE		
Third party capital and reserve	21	21
Third party profit (loss) for the financial period	0	0
TOTAL THIRD-PARTY CAPITAL AND RESERVE	21	21
TOTAL EQUITY (A)	3,014,113	2,989,015
B) PROVISIONS FOR RISKS AND CHARGES		
1) Provisions for pensions and similar obligations	2,384	2,695
2) Provisions for taxation, including deferred taxes	9,979	18,140
3) Derivative financial liabilities	1,345	4,858
4) Other	58,415	56,780
TOTAL PROVISIONS FOR RISKS AND CHARGES (B)	72,123	82,473
C) EMPLOYEE SEVERANCE INDEMNITY	18,775	20,256

LIABILITIES	12/31/2023	12/31/2022
D) PAYABLES		
1) Bonds	0	0
2) Convertible bonds	0	0
3) Payables to shareholders for loans		
4) Payables to banks		
within 1 year	164,831	89,120
over 1 year	780,494	604,890
TOTAL	945,325	694,010
5) Payables to other lenders		
within 1 year	0	0
6) Down payments		
within 1 year	49,685	60,205
TOTAL	49,685	60,205
7) Payables to suppliers		
within 1 year	447,806	432,238
over 1 year	0	5,000
TOTAL	447,806	437,238
8) Debts represented by bills of exchange		
within 1 year	0	9
TOTAL	0	9
9) Payables to subsidiary companies		
within 1 year	13,139	2,005
TOTAL	13,139	2,005
10) Payables to affiliated companies		
within 1 year	513	522
TOTAL	513	522
11) Payables to parent companies		
within 1 year	29,220	23,431
TOTAL	29,220	23,431
11-bis) Payables to associated companies		
12) Tax payables		
within 1 year	33,913	26,615
over 1 year	0	8,200
TOTAL	33,913	34,815
13) Payables to social security institutions		
within 1 year	23,568	23,475
TOTAL	23,568	23,475
14) Other payables		
within 1 year	117,420	106,888
TOTAL	117,420	106,888
TOTAL DEBTS (D)	1,660,589	1,382,598
Accruals and deferred income	3,889	5,191
E) ACCRUALS AND DEFERRALS	3,889	5,191
TOTAL LIABILITIES	4,769,489	4,479,533



Adriano and Alessandro, Angelini Holding.

CONSOLIDATED INCOME STATEMENT ANGELINI HOLDING S.P.A.

(thousands of euros)

INCOME STATEMENT	12/31/2023	12/31/2022
A) VALUE OF PRODUCTION		
1) Revenues from sales and services	2,149,594	1,998,039
2) Variation in stocks of finished goods and in work in progress	4,946	10,788
3) Variation in contracts in progress	(2,267)	(14,673)
4) Work performed for own purposes and capitalized	4,344	872
5) Other revenues and income		
a) government grants	8,167	9,183
b) other revenues and income	40,021	49,411
TOTAL 5)	48,188	58,594
TOTAL VALUE OF PRODUCTION (A)	2,204,805	2,053,620
B) COST OF PRODUCTION		
6) Raw materials, consumable and goods for sale	711,675	693,290
7) For services	668,685	645,797
8) For use of assets owned by others	57,033	49,942
9) For staff costs		
a) wages and salaries	302,266	279,449
b) social security costs	83,227	78,405
c) employee severance indemnity	14,045	14,330
d) pension costs	2,262	2,049
e) other costs	27,195	22,678
TOTAL 9)	428,995	396,911
10) Depreciation, amortization and writedowns		
a) amortization of intangible fixed assets	140,278	142,494
b) depreciation of tangible fixed assets	44,483	45,651
c) other writedowns of fixed assets	3,458	12,520
d) allowance for doubtful debtors included in current assets and other accounts included in cash at bank and on hand	3,136	1,442
TOTAL 10)	191,355	202,107
11) Difference in stock of raw materials, consumables, and goods for resale	(13,329)	(37,430)
12) Amounts provided for risk provisions	3,709	7,748
13) Other accruals	17,449	5,613
14) Other operative costs	48,070	50,371
TOTAL PRODUCTION COSTS (B)	2,113,642	2,014,349
OPERATING GROSS MARGIN (A-B)	91,163	39,271

INCOME STATEMENT	12/31/2023	12/31/2022
C) FINANCIAL INCOMES AND CHARGES		
15) Income from equity investments		
a) from subsidiaries	0	2,188
d) other companies	28,787	37,019
TOTAL 15)	28,787	39,207
16) Other financial income		
a) from receivables recognized in non-current assets from		
1) subsidiaries	1	0
TOTAL a)	1	0
b) from securities recognized within non-current assets which are not equity investments	23	0
c) from non-permanent investments which are not equity investments	11,016	8,934
d) other income not included above		
1) subsidiaries	278	6
3) parent companies	13,406	1,492
5) other	43,456	29,043
TOTAL d)	57,140	30,541
TOTAL 16)	68,180	39,475
17) Interest payable and similar charges from		
1) subsidiaries	6	6
5) other	45,941	16,232
17-bis) Foreign exchange (gains)/losses	4,282	965
TOTAL 17) +/- 17-bis)	50,229	17,203
TOTAL FINANCIAL INCOMES AND CHARGES (C) (15+16+17+-17-bis)	46,738	61,479
D) VALUE ADJUSTMENTS RELATED TO FINANCIAL ASSETS		
18) Revaluation		
a) of equity investments	2,904	266
c) of non-permanent investments which are not equity investments	414	3
d) of derivatives	8,770	10,816
TOTAL 18)	12,088	11,085
19) Writedowns		
a) of equity investments	10,773	5,823
d) of other permanent investments which are not equity investments	0	31
c) of non-permanent investments which are not equity investments	295	2,741
d) of derivatives	2,795	11,524
TOTAL 19)	13,863	20,119
TOTAL VALUE ADJUSTMENTS RELATED TO FINANCIAL ASSETS (D) (18-19)	(1,775)	(9,034)
Profit or loss before income taxes (A-B+-C+-D)	136,126	91,716
20) Income taxes of the period	37,810	11,670
Profit (loss) for the financial period including third parties	98,316	80,046
Profit (loss) for the financial period attributable to third parties	0	0
21) Profit (loss) for the financial period	98,316	80,046

CONSOLIDATED STATEMENT OF CASH FLOWS ANGELINI HOLDING S.P.A.

(thousands of euros)

STATEMENT OF CASH FLOWS	12/31/2023	12/31/2022
(A) Income transactions		
Period profit (loss)	98,316	80,046
Income taxes	37,810	11,670
Interest expense/(interest income)	(21,655)	(14,984)
Other expenses/(income) from financial assets	(1,528)	(2,307)
(Dividends)	(19,805)	(39,207)
(Capital losses)/capital gains deriving from the disposal of assets	(7,082)	(1,835)
1. Period profit (loss) before income tax, interest, dividends and capital gains/losses from disposals	86,056	33,383
<i>Adjustments for non-monetary elements that have no counterpart in Net Working Capital</i>		
Provision made	51,065	46,302
Amortization, depreciation and impairment of fixed assets	188,219	200,665
Impairment losses	10,773	5,823
Other adjustments for non-monetary elements	(19,120)	(11,089)
2. Cash flow before changes to NWC	316,992	275,084
<i>Changes in Net Working Capital</i>		
Decrease/(increase) of inventories	(12,327)	(72,351)
Decrease/(increase) in receivables from customers	(31,462)	(81,190)
Increase/(decrease) of trade payables	(1,416)	60,991
Decrease/(increase) in accrued income and prepaid expenses	(5,852)	(670)
Increase/(decrease) in accrued expense and deferred income	(1,302)	137
Other changes in Net Working Capital (receivables)	1,529	10,343
Other changes in Net Working Capital (payables)	463	8,862
3. Cash flow after changes to NWC	266,625	201,207
<i>Other adjustments</i>		
Interest collected/(paid)	21,655	14,984
(Income tax paid)	(22,477)	(24,521)
Dividends collected	19,805	39,207
Employee severance indemnity paid to supplementary social security scheme	(11,920)	
(Use of provisions)	(44,638)	(34,146)
4. Cash flow after other changes	229,050	196,730
Cash flow from income transactions (A)	229,050	196,730

STATEMENT OF CASH FLOWS	12/31/2023	12/31/2022
B. Cash flow from investments		
<i>Tangible fixed assets</i>		
(Investments)	(83,635)	(51,052)
(Divestments)	1,499	1,827
<i>Intangible assets</i>		
(Investments)	(22,786)	(40,733)
(Divestments)	472	2,140
<i>Financial fixed assets</i>		
(Investments)	(64,821)	(36,812)
(Divestments)	55,823	20,840
Positive/(negative) changes in other fixed assets	6,395	(3,907)
<i>Other non-fixed financial assets</i>		
(Investments)	(662,429)	(325,465)
(Divestments)	594,633	203,195
Change in consolidation scope	0	0
Acquisition or sale of subsidiaries or business units	0	(47,077)
Cash flow from investments (B)	(174,850)	(277,043)
C. Cash flow deriving from financing		
<i>Minority means</i>		
Centralized treasury management	(25,965)	1,296
Increase/(decrease) in short-term payables to banks	(27,133)	16,136
Stipulation of loans	400,000	596,127
Repayment of loans	(121,552)	(519,928)
<i>Own means</i>	0	0
Capital increase in exchange of payment	0	0
Sale/(purchase) of treasury shares	0	0
Dividends (and interim dividends) paid	(40,000)	(60,000)
Cash flow from loans (C)	185,350	33,631
Increase/(decrease) of cash and cash equivalents (A±B±C)	239,551	(46,682)
Opening cash and cash equivalents	458,609	505,291
Closing cash and cash equivalents	698,160	458,609



Marilena, Angelini Pharma.

03. Explanatory Notes

CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2023



Giorgia, Esther and Marco, Angelini Holding.

Form and content of the consolidated financial statements

BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with the provisions of Articles 2423 et seq. of the Italian Civil Code and Italian Legislative Decree 127/1991, as amended by Italian Legislative Decree 139/2015, which transposed into national law EU Directive 2013/34/EU (replacing the previous 4th EU Directive on financial statements and consolidated financial statements) supplemented by Italian national accounting standards issued by the National Council of Certified Public Accountants and Accounting Experts and the Italian Accounting Organization.

These consolidated financial statements consist of the Balance Sheet, Income Statement, Statement of Cash Flows, and Explanatory Notes to the Financial Statements and correspond to the results of the duly kept accounting records; they have been prepared in accordance with the principle of clarity in order to give a true and fair view of the Group's financial position and results of operations for the year, while also taking into account the significance of the effects of operating events in terms of recognition, measurement, presentation and disclosure.

The items of the Balance Sheet and Income Statement comply with those required by Articles 2424 and 2425 of the Civil Code and, where deemed appropriate, have been supplemented by additional items for greater clarity.

The content of the Statement of Cash Flows is governed by Article 2425-ter. The Notes to the Financial Statements provide an explanation and analysis of the items in the Balance Sheet and Income Statement, together with other information required by Articles 2427 and 2427-bis of the Italian Civil Code and other legal provisions.

No departures from Articles 2423 et seq. of the Italian Civil Code have been made in the preparation of the consolidated financial statements. In addition, in the presentation of items within the Balance Sheet and Income Statement, no grouping has been made in accordance with the second paragraph of Article 2423-ter of the Italian Civil Code. With reference to the Statement of Cash Flows, in accordance with accounting standard OIC 10, additional cash flows have been added to those provided in the reference schedules, as they are deemed necessary for the purpose of clarity and true and fair representation of the financial situation.

The financial statements of the individual Investee Companies as of December 31, 2023, expressed in thousands of euros, reclassified and adjusted to conform to the Group's accounting principles and measurement criteria, were used for consolidation.

For those Companies whose fiscal year does not coincide with the Parent Company Angelini Holding S.p.A.'s closing date (December 31), interim financial statements have been prepared to reflect the Group's conventional fiscal year.

SCOPE OF CONSOLIDATION

AREAS OF ACTIVITY

The Angelini Industries Group operates in the sectors of Health, Consumer Goods, Industrial Technology, and financial and real estate Holding Activities. Business is mainly conducted in Italy, several European Union countries and the United States.

SCOPE OF CONSOLIDATION

The Group's consolidated financial statements include the financial statements of Angelini Holding S.p.A. (the "Parent Company") and those of the Italian and foreign companies over which it directly and indirectly exercises control pursuant to Article 26 of Legislative Decree 127/1991 as a result of the availability of the majority of voting rights that may be cast at ordinary meetings. The line-by-line consolidation method was adopted for these companies, except for some smaller companies whose shareholdings were represented at purchase cost considering their individual and overall insignificance to the Group. For the companies over which the Parent Company exercises joint control with other shareholders, the proportional consolidation method has been adopted pursuant to Article 37 of Legislative Decree 127/1991. The companies included in the scope of consolidation as of December 31, 2023 are shown in Annex "A".

CHANGES IN THE SCOPE OF CONSOLIDATION SINCE THE PREVIOUS YEAR'S FINANCIAL STATEMENTS

On April 19, 2023 Angelini Technologies S.p.A. established Angelini Dynamics S.r.l. with headquarters in Rome, Viale Amelia, 70, holding 100% of its share capital. The purpose of the company is the research and

development, design and technical and systematic assistance for high-technology products for the creation of highly automated systems.

On June 16, 2023 Angelini Dynamics S.r.l. acquired 100% of the capital in Angelini Dynamics North America Corp. headquartered in Delaware, operating in the industrial technology sector.

On December 13, 2023 Angelini Consumer S.r.l. acquired complete control of the equity investment in My-FamilyPlace Shop S.p.A., acquiring the remaining 40% from Prenatal S.p.A.

In 2023, liquidation was completed of Naberoca XXI S.A., headquartered in Spain, which had been 100% held by Angelini Real Estate S.p.A.

CONSOLIDATION CRITERIA

The financial statements of companies subject to legislation other than the Italian Civil Code have been appropriately reclassified and adjusted in order to bring them into line with the Group's accounting principles and measurement criteria, so as to clearly and truthfully represent the consolidated financial position and results of operations.

The assets, liabilities, revenues and income, expenses and charges of the companies included in the scope of consolidation are entered line-by-line in the consolidated financial statements, regardless of percent ownership of the Parent Company.

For companies consolidated according to the proportional method, assets, liabilities and Income Statement components were entered proportionally based on the percent equity ownership.

The application of these consolidation criteria resulted in the following main adjustments:

- a. The book value of directly formed equity investments is eliminated against share capital, while that of subsequently acquired companies is eliminated against the relevant fraction of equity.
- b. The book value of jointly controlled companies included in the scope of consolidation has been eliminated against the proportionate share of share capital or equity according to the proportional method.
- c. The difference arising from the elimination of equity investments, if negative, is added to the Group's Equity. Where determined by the results and other

changes in equity in the fiscal years ended after the date of formation or acquisition, this difference is recognized in the consolidated Equity item, "Retained earnings". The positive difference emerging at the date of acquisition from the derecognition of the purchase cost of equity investments against the related portions of Equity, if recoverable, is allocated to assets, increasing equity, on the basis of assessments performed at the time of purchase and, to a residual extent, to consolidation difference. The consolidation difference is amortized over a period of time within which the economic benefits are expected to accrue; to date, there are no elements that would suggest the economic benefits would be recovered beyond 10 years. To the extent that there is a loss, as goodwill cannot be recognized, this difference is charged to the consolidation reserve or expensed to the Consolidated Income Statement.

- d. The portions of Equity and net profit for the year attributable to minority shareholders are shown separately under "Minority interest in capital and reserves" and "Minority interest in profit/loss for the year", respectively.
- e. Receivables, payables, revenues and income, costs and expenses arising from transactions between companies included in the scope of consolidation are eliminated. In addition, profits from transactions between Group companies that have not yet been realized vis-à-vis third parties are eliminated.
- f. Any dividends distributed between Group companies are adjusted.
- g. Deferred and prepaid taxes are calculated on the temporary differences between the taxable in-

- come and the economic result of the companies included in the scope of consolidation, considering the tax effects related to the financial statements for the year.

h. Financial statements presented in foreign currencies other than the euro are translated into euros by adopting the current exchange rate method, which involves translating at the year-end exchange rate for assets and liabilities in the Balance Sheet, translating at the average exchange rate for the year for items in the Income Statement
- and translating at the historical exchange rate for items in equity. The difference between the value at the historical exchange rate and the value resulting from the translation of the same items at the current exchange rate is entered in a special item of Equity, the “Conversion reserve”, after allocating minority shareholders their share.

The main exchange rates adopted for the translation of financial statements in currencies other than the euro are shown below.

Currency code	Country	Currency	Average exchange rate at 12/31/2023	Final exchange rate at 12/31/2023
BGN	Bulgaria	New Lev	1.9558	1.9558
CZK	Czech (Republic)	Czech koruna	24.0043	24.724
CNY	China (People’s Republic of)	Renminbi (Yuan)	7.66	7.8509
PLN	Poland	Złoty	4.542	4.3395
RON	Romania	New leu	4.9467	4.9756
RUB	Russia	Ruble	92.5116	99.3648
USD	United States	US dollar	1.0813	1.105
CHF	Switzerland	Swiss franc	0.9718	0.926
TRY	Turkey	Turkish lira (new)	25.7597	32.6531
HUF	Hungary	Hungarian forint	381.8527	382.8

With reference to the ruble, the related exchange rate was determined using the information available from leading external information providers, since, as a re-

sult of the war in Ukraine, the ECB had suspended the publication of the EUR/RUB exchange rate at the reporting date.

MEASUREMENT CRITERIA

The measurement criteria are in accordance with Article 2426 of the Italian Civil Code, as amended by Italian Legislative Decree 139/2015. They are also consistent with those used in the formation of the previous year’s financial statements.

The measurement of financial statement items is guided by the general criteria of prudence, accrual and relevance, assuming a going concern perspective.

Items are recognized and presented according to the substance of the transaction or contract.

- In particular, the following general principles were observed in preparing the financial statements:
- only realized gains/losses as of the end of the fiscal year are shown;
 - income and expenses for the year were taken into account, regardless of the date of collection or payment, apart from potential assets or liabilities;
 - account was taken of risks and losses pertaining to the year, even if known after its closure;
 - heterogeneous elements included in individual items have been measured separately.

The main accounting policies adopted in the preparation of the consolidated financial statements as of December 31, 2023 are explained below.

INTANGIBLE FIXED ASSETS

Intangible fixed assets are assets without physical substance and essentially refer to costs whose useful lives extend over several fiscal years. They are recorded at the purchase cost actually incurred, including directly attributable incidental expenses, or at production cost if internally executed.

Deferred charges (start-up and expansion costs and development costs) are capitalized only when there is an objective correlation with expected future benefits and if it is reasonably estimable that they can be recovered, subject to the consent of the Board of Statutory Auditors, where appointed.

Intangible assets (industrial patent and intellectual property rights, concessions, licenses and trademarks) are recognized when: (a) they are individually identifiable and (b) the related cost can be estimated with sufficient reliability. The price adjustment mechanisms provided for in certain contracts for the purchase of licenses for the marketing of pharmaceutical products, the payments for which are conditional on the occurrence of specific events that are clearly defined, identified and measurable, and the amount of which is also determined, are recognized in the Income Statement by means of a specific provision for future charges, on a straight-line basis, starting from the fiscal year in which the event is deemed probable to occur. The annual accrual to the provision is equal to the amount of the additional price divided by the remaining number of years of license use. In the year in which the additional price is paid, the amount paid is capitalized under intangible fixed assets and amortized on a straight-line basis over the years of remaining use of the license. In parallel, the amount of the provision set aside in previous years is reversed to the Income Statement on a straight-line basis over the same period of residual use. In derogation from the criterion of Article 2426 of the Italian Civil Code, the Tachipirina and Moment trademarks, held by the company Angelini Pharma S.p.A. and part of the industrial patents owned by the company Fameccanica.Data S.p.A., have been revalued in accordance with Article 110, paragraphs 1-7 of Law 126

of October 13, 2020, as already disclosed in the basis of preparation.

Goodwill is recognized as an intangible fixed asset only if: it is acquired for consideration and has a quantifiable value included in the consideration paid and in compliance with the requirements for the recognition of deferred charges; it consists of items that provide the company with future economic benefits; and its value is recoverable over time.

Intangible fixed assets are shown net of amortization, which is calculated on a systematic, straight-line basis in relation to the asset's residual useful life.

Deferred charges such as start-up and expansion costs are amortized over a period not exceeding five years. Development costs are amortized according to their useful life. In cases where useful life cannot be estimated, they are amortized over a period not exceeding five years.

Goodwill is amortized according to its useful life, and in cases where the useful life cannot be estimated, it is amortized over a period not exceeding ten years.

INTANGIBLE FIXED ASSETS	Minimum % rate	Maximum % rate
Start-up and expansion costs	20%	20%
Development costs	20%	20%
Industrial patent and intellectual property rights	10%	33%
Concessions and licenses	Contract term	33%
Trademarks	10%	10%
Goodwill	10%	20%
Consolidation difference	10%	10%
Other fixed assets	20%	20%

Intangible assets are amortized over the legal or contractual term of the right, or over the estimated useful life, if shorter.

Trademarks are amortized considering a useful life of ten years.

If the value of an intangible asset, net of amortization already recognized, is permanently lower than its book value, the asset is written down correspondingly to that lower value. If, in subsequent years, the conditions for impairment are no longer met, the original value, adjusted for depreciation only, is restored.

Any borrowing costs incurred in the purchase or production of an intangible asset are charged directly to the Income Statement.

The depreciation rates used are as follows.

REVALUATION OF BUSINESS ASSETS
PURSUANT TO LAW 126/2020

The issue of Law 126 of October 13, 2020, Article 110, paragraphs 1-7, provided the possibility for the companies Angelini Pharma S.p.A. and Fameccanica.Data S.p.A. to revalue the brands Tachipirina and Moment, and part of its industrial patents, respectively.

With reference to the company Angelini Pharma S.p.A., operating in the Health business, in order to determine the credit balance of the aforesaid revaluation, the Company appointed KPMG Advisory S.p.A. to draft a specific appraisal of the fair value of the brands, which was issued on May 24, 2021. The fair value appraisal of the brands subject to valuation was prepared at the reporting date of December 31, 2020, on the basis of two widely accepted income methods, namely the "multi-period excess earnings" method and the "relief from royalty" method. The fair value of the brands was estimated within a range:

- for Tachipirina, between 702.1 million euros and 748.6 million euros, with a central value equal to 724.8 million euros;
- for Moment, between 118.6 million euros and 126.4 million euros, with a central value equal to 122.4 million euros.

The Company prudentially adopted as credit balance of the revaluation the lower value of the appraisal range, equal to 820,000 thousand euros, with a contra-entry in Equity for 795,400 thousand euros, net of substitute tax. Amortization is calculated over 18 years.

In relation to the company Fameccanica.Data S.p.A., operating in the Industrial Technology business, KPMG

Advisory S.p.A. was also appointed to draft a specific appraisal of the fair value of the industrial patents subject to revaluation. Following the assessment conducted by KPMG, the following was recognized:

- a revaluation of patents amounting to 14.497 million euros;
- a special equity reserve named "Law 126/2020 revaluation reserve" of 14.062 million euros.

The revaluation was carried out through the historical cost increase technique, and amortization is based on a period of 7 years.

TANGIBLE FIXED ASSETS

Tangible fixed assets include tangible assets of long-term use the economic utility of which extends beyond the limits of one fiscal year, whether purchased from third parties or produced internally.

Tangible fixed assets are recognized on the date on which the risks and rewards associated with the asset acquired are transferred and measured at the cost actually incurred to acquire the asset, including incidental expenses incurred so that the asset can be used. The transfer of risks and benefits occurs when the title is transferred.

If produced internally, the production cost includes all costs directly attributable to the asset (typically materials and direct labor) and other general production costs for the portion reasonably attributable to the fixed asset, until the asset can be used.

Any borrowing costs incurred in the purchase or production of a tangible asset are charged directly to the Income Statement.

They are presented in the financial statements net of depreciation charges, which are calculated systematically and by the straight-line method in relation to the useful life of the asset. The depreciation period starts from the fiscal year in which the asset is available and ready for use; for assets acquired during the year, the depreciation rate is prorated at half the annual rate to take into account the lesser use.

The cost related to tangible fixed assets of modest unit value is expensed directly in the fiscal year in which the

asset is acquired.

If the tangible fixed asset includes components, appurtenances or accessories with different useful lives than the main asset, these components are recognized separately from the main asset and depreciated according to their respective useful lives, unless this is not practical or meaningful.

The depreciation rates used are as follows.

SECTOR	Land and buildings		Plant and equipment		Other fixtures and fittings, tools and equipment		Other assets	
	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.
Chemical-Pharmaceutical	2%	10%	7.5%	30%	10%	40%	10%	25%
Agribusiness	3%	10%	9%	20%	20%		12%	25%
Consumer Goods	3%	6%	10%	14%	25%	40%	12%	25%
Holding and Financial	3%		10%		15%		12%	25%

The wide range of variation in the depreciation rates shown is attributable to fixed assets of a profoundly different nature across the various operating segments.

Grants towards plant are accounted for at the time of the grant approval and are credited to the Income Statement in connection with the useful life of the asset.

Maintenance costs of an ordinary nature (repairs, ordinary replacement of components, cleaning, etc.) are charged to the Income Statement in the year in which they are incurred.

Maintenance costs of an extraordinary nature, i.e. that produce a significant, tangible increase in productivity, safety and/or useful life, may be capitalized within the limits of the asset's recoverable amount.

If the value of a tangible asset, net of amortization already recognized, is permanently lower than its book value, the asset is written down correspondingly to that lower value. If, in subsequent years, the conditions for impairment are no longer met, the original value, adjusted for depreciation only, is restored.



Federica, Angelini Real Estate; Veronica, Angelini Holding.

FINANCIAL FIXED ASSETS

These are represented by equity investments, receivables and other financial instruments intended to be permanently held in the company’s assets.

EQUITY INVESTMENTS

Equity investments are investments in the capital of other enterprises. They are initially recorded at purchase or establishment cost, including directly attributable incidental expenses.

Equity investments the cost of which is measured in foreign currency are recorded at the exchange rate on the date on which payment is made for their purchase or completion of their subscription.

If at the end of the fiscal year the recoverable value of an equity investment is permanently lower than its book value, it is correspondingly written down in value, with the entire cost of the writedown charged to the Income Statement for the fiscal year. If the reasons for the writedown cease to apply in subsequent fiscal years, the equity investment is revalued within the limits of the original cost.
If an equity investment is sold, any capital gain (loss) is recognized in the Income Statement under financial income (expense), within the item “Income from equity investments” (“Interest and other financial expenses”).

RECEIVABLES

These are receivables of a financial nature and are recorded on the amortized cost basis, taking into account the time factor.
The time factor criterion is not applied if its effects are insignificant pursuant to Article 2423 of the Italian Civil Code, paragraph 4.
The book value of accounts receivable determined in

this way is also adjusted, if necessary, by special allowance for doubtful accounts in case of impairment.

SECURITIES

These represent investments in financial instruments that provide the right to receive a definite or determinable cash flow, without providing the right to direct or indirect participation in the management of the issuing institution.

Securities are included in fixed assets when they are intended to remain in the company’s assets on a long-term basis. This allocation is determined based on the characteristics of the instrument, the intention of management and the company’s effective ability to hold the securities for an extended period of time.

Securities are recognized when delivery of the securities takes place (settlement date) and are measured using the amortized cost method, where applicable.

The amortized cost criterion is not applied for securities whose cash flows cannot be determined. This criterion is also not applied if the effects would be insignificant pursuant to Article 2423, paragraph 4, of the Italian Civil Code.

When the market value of a security is lower than its book value, or when it is reasonably and justifiably believed that it will no longer be possible to collect the cash flows in full, the associated impairment loss is charged in full to the Income Statement in the year in which it is recognized. If the reasons for the impairment no longer apply, the value of the security is restored in the Income Statement, up to the limits of the amortized cost determined in the absence of the previous impairment.

IMPAIRMENT LOSSES ON FIXED ASSETS

For the purposes of measuring fixed assets, impairment losses are recognized in the Income Statement when the recoverable amount of a fixed asset is less than its carrying amount.
A comparison between the carrying value of a fixed asset and its recoverable value is made only when there are clear indicators that a fixed asset may be impaired. In the presence of these indicators, the recoverable value of the fixed asset is determined, as of the reporting date, as the greater of:

- 1. its fair value, which is the price that would be received for the sale of an asset or that would be paid for the transfer of a liability in a regular transaction between market participants on the valuation date;
- 2. its value in use, defined as the present value of the cash flows expected from the continued use of the same asset.

When an asset does not generate cash flows independently of other fixed assets, the comparison of carrying value and recoverable value is made by reference to the relevant cash generating unit (CGU), which is understood to be the smallest identifiable group of assets that includes the fixed asset being measured. Any impairment losses recognized on a CGU are allocated first to the value of any goodwill referable to the CGU and then to the other assets that make up the CGU, in proportion to the book value of each.

INVENTORIES

Inventories are carried at the lower of purchase cost, including ancillary or production charges, and realizable value inferable from market trends. Weighted average cost is used to determine purchase cost.
The production cost of finished goods and contract

work in progress includes direct costs (direct raw materials and other materials and direct labor) and indirect costs reasonably attributable to the product (indirect labor, technical salaries, auxiliary and consumable materials, electricity and expenses directly pertaining to production, including ordinary amortization and depreciation).
Advances to suppliers of raw materials, consumables and goods are recorded at nominal value.
Raw materials, semi-finished goods, goods and finished products not found to present future saleability have been appropriately written down in order to take into account the relevant salvage value.

RECEIVABLES AND PAYABLES

Receivables are recognized against rights to collect fixed or determinable amounts of cash from customers or other parties at an identified or identifiable maturity.

Payables are recognized when legal obligations of certain existence and definite nature arise to pay a definite amount at a specified date.

Receivables and payables are measured on an amortized cost basis, taking into account the time factor. The time factor criterion is not applied if its effects are insignificant pursuant to Article 2423 of the Italian Civil Code, paragraph 4.

ASSETS AND LIABILITIES IN FOREIGN CURRENCY

Assets and liabilities arising from foreign currency transactions are initially recognized at the spot exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are then translated in the balance sheet at the spot exchange rate as of the reporting date, resulting in the

recognition of related translation gains/losses in the Income Statement. Exchange rate differences on foreign currency assets and liabilities of a non-monetary nature are not recognized.

DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments are recorded at fair value.

The change in fair value since initial recognition or the previous year is generally recognized in the Income Statement, in the case of speculative derivatives, in items D)18 d) Revaluation and D)19 d) Impairment of derivative instruments.

When a derivative financial instrument is designated as a hedge of the fair value or cash flows of one or more hedged items, the derivative instrument is accounted for in accordance with the rules for hedging transactions only if:

- the hedging relationship consists only of hedging instruments and eligible hedged items;
- there is a close, documented correlation between the characteristics of the hedging instrument and those of the hedged item;
- the hedging relationship meets the effectiveness requirements in terms of (i) the economic relationship between the hedging instrument and the hedged item, (ii) the significance of credit risk to the fair value of the hedging instrument and the hedged item and (iii) the hedge ratio between quantity of derivative instruments and quantity of hedged items is equal.

In particular:

1. for fair value hedges, the derivative financial instrument is recognized and measured at fair value in the Income Statement, while the carrying amount of the hedged item is adjusted to reflect the fair value measurement of the hedged risk component;
2. for cash flow hedges, the derivative financial instrument is recognized and measured at fair value in the "Reserve for expected cash flow hedges", except for any ineffective components, which are recognized directly in the Income Statement. The amount of the reserve is reclassified to the Income Statement in years when the hedged future cash flows have an effect on net profit.

FINANCIAL ASSETS THAT DO NOT CONSTITUTE FIXED ASSETS

Italian and foreign stocks and bonds are recorded at the lower of purchase cost or, where applicable, amortized cost, and realizable value inferable from market performance.

The realizable value from market performance can be inferred from prices quoted in regulated markets or other market indicators as of the year-end date.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents are recorded at their nominal value. Bank account balances reflect all incoming and outgoing movements that have occurred by the balance sheet date and include all payments arranged and all receipts credited to the accounts by the balance sheet date.

Cash balances in foreign currencies are converted at year-end exchange rates.

ACCRUALS AND DEFERRALS

Accrued income and expenses represent portions of income and expenses pertaining to the year and payable in subsequent years.

Prepaid expenses and deferred income represent portions of costs and income incurred during the year but set to accrue in subsequent years.

The amount of accruals and deferrals is determined by apportioning the revenue or cost in order to allocate only the accrued portion to the current year.

For accruals with a duration of several years, the conditions that had resulted in their initial recognition are verified and the appropriate changes adopted, where necessary.

PROVISIONS

These represent certain or probable liabilities of a definite nature but with an undetermined date of occurrence or amount.

In particular:

- provisions for risks represent contingent liabilities related to situations already existing at the balance sheet date, but characterized by a state of uncertainty the outcome of which depends on the occurrence or non-occurrence of one or more future events;
- provisions for charges represent liabilities of a definite nature and certain existence, estimated in amount or date of occurrence, related to obligations already undertaken as of the date of the financial statements, but set to be incurred in the future.

Provisions for pensions and similar obligations are recognized to cover charges of a definite nature and certain existence associated with supplementary so-

cial security benefits, other than Employee severance indemnity, as well as for any compensation due to employees upon termination of employment.

Following the transposition of the regulations on derivative instruments, introduced by Italian Legislative Decree 139/2015, the balance sheet item "Provisions for derivative financial instruments with negative balances" has been established, accommodating the negative fair value balances of these instruments.

EMPLOYEE SEVERANCE INDEMNITY

Employee severance indemnity has been calculated in accordance with Article 2120 of the Italian Civil Code and recent legislation, taking into account the specificities of contracts and professional categories, and includes annual accruals and revaluations made on the basis of ISTAT coefficients in respect of employees as of the closing date of the financial year, net of advances paid or transfers to other supplementary funds, and is equal to what the company would have had to pay directly to employees in the event of termination of employment on that date.

REVENUES, INCOME, EXPENSES AND CHARGES

These are charged to the Income Statement in accordance with the principles of prudence and accrual basis accounting.

Revenues, income, expenses and charges are recorded net of returns, discounts, rebates and taxes directly related to the sale of products and provision of services.

Revenue from product sales is recognized at the time of transfer of ownership, which is normally identified with the delivery or shipment of goods.

Revenue related to the provision of services is recognized when the service is completed. Revenues, income, expenses and charges that accrue over time are recognized in the Income Statement on an accrual basis.

Revenues, income, costs and expenses related to foreign currency transactions are recorded at the exchange rate prevailing on the date on which the relevant transaction is carried out.

GRANTS

Operating grants made for the purpose of supplementing company revenues or reducing operating costs are accounted for when the right to receive them arises. Operating grants must be accounted for on an accrual basis, regardless, therefore, of whether they are actually received.

Equipment grants are accounted for on an accrual basis in the year in which the granter approves the grant and deferred to subsequent years on an accrual basis through the recognition of deferred income.

INCOME TAXES

Income taxes are recorded under "Payables to parent companies" for Italian companies participating in tax consolidation with the Parent Company Angelini Fi-

nanziaria S.p.A., but under "Tax payables" for foreign companies or Italian companies not participating in tax consolidation. Tax liabilities are provisioned for on the basis of an analytical calculation of the charge payable for the year, according to the regulations in force in the countries where the consolidated companies operate.

Deferred and prepaid taxes are recognized in the financial statements on temporary differences between the value attributed to assets and liabilities according to statutory criteria and the value attributed to the same assets and liabilities for tax purposes.

Deferred tax assets are recognized, in accordance with prudence, only if there is a reasonable certainty of the existence, in the years in which the related temporary differences will be reversed, of taxable income in excess of the amount of the differences that will be reversed.

Deferred tax assets and liabilities are recognized separately in the financial statements by posting them under deferred tax assets and deferred tax liabilities, respectively, with a contra-entry to "Income taxes for the year".

Deferred tax assets and deferred tax liabilities are offset if they relate to legally offsettable taxes.





Analysis of line items and related changes

COMMENTARY ON ITEMS OF THE BALANCE SHEET: ASSETS

FIXED ASSETS INTANGIBLE FIXED ASSETS – 1,313,593 THOUSAND EUROS

The breakdown of individual items, net of amortization for the year of 141,364 thousand euros, is shown in the following table.

(thousands of euros)

	Net value current year	Net value previous year	Difference
Start-up and expansion costs	285	377	(92)
Development costs	0	43	(43)
Industrial patent and intellectual property rights	34,451	36,887	(2,436)
Concessions, licenses, trademarks and similar rights	1,210,653	1,322,753	(112,100)
Goodwill	46,284	53,577	(7,293)
Intangible fixed assets in progress and down payments	20,899	11,760	9,139
Other intangible fixed assets	1,021	1,111	(90)
TOTAL	1,313,593	1,426,508	(112,915)

Details of the analysis of changes in historical cost and accumulated amortization are given in the following tables.

(thousands of euros)

HISTORICAL COST								
	Opening balance	Increases	Reclassification	Decreases	Other movements	Currency translation differences	Disposals from changes in Group structure	Ending balance
Start-up and expansion costs - Historical cost	2,621	3	0	0	0	0	(230)	2,394
Development costs - Historical cost	15,013	0	71	0	0	0	0	15,084
Industrial patent and intellectual property rights - Historical cost	217,320	9,213	6,301	(1,144)	(2)	(118)	0	231,570
Concessions, licenses, trademarks and similar rights - Historical cost	1,870,061	3,865	241	(1,197)	24	(1,180)	0	1,871,814
Goodwill - Historical cost	266,001	0	0	0	0	(1,153)	0	264,848
Consolidation difference	227,085	0	0	0	0	0	0	227,085
Intangible fixed assets in progress and down payments	11,760	15,019	(5,388)	(262)	(223)	(7)	0	20,899
Other intangible fixed assets	1,903	71	78	(13)	8	(40)	0	2,007
TOTAL	2,611,764	28,171	1,303	(2,616)	(193)	(2,498)	(230)	2,635,701

(thousands of euros)

ACCUMULATED AMORTIZATION/DEPRECIATION										
	Opening balance	Amortization/Depreciation	Reclassification	Decreases	Write-downs	Other movements	Revaluations	Currency translation differences	Disposals from changes in Group structure	Ending balance
Start-up and expansion costs - Accumulated amortization	(2,244)	(92)	0	0	(2)	(1)	0	0	230	(2,109)
Development costs - Accumulated amortization	(14,970)	(18)	0	0	(96)	0	0	0	0	(15,084)
Industrial patent and intellectual property rights - Accumulated amortization	(180,433)	(16,965)	0	1,061	(869)	0	0	87	0	(197,119)
Concessions, licenses, trademarks and similar rights - Accumulated amortization	(547,308)	(116,085)	0	1,248	(115)	(20)	120	999	0	(661,161)
Goodwill - Accumulated amortization	(252,214)	(1,904)	0	0	0	0	0	716	0	(253,402)
Accumulated amortization goodwill from consolidation process	(187,295)	(4,952)	0	0	0	0	0	0	0	(192,247)
Other intangible fixed assets	(792)	(266)	13	0	0	25	0	34	0	(986)
TOTAL	(1,185,256)	(140,282)	13	2,309	(1,082)	4	120	1,836	230	(1,322,108)

The item “Intangible fixed assets” decreased by 112,915 thousand euros compared to the previous year.

The following is an analysis of the most important categories.

INDUSTRIAL PATENT AND INTELLECTUAL PROPERTY RIGHTS – 34,451 THOUSAND EUROS

The item is a significant component for most business sectors. Brief details of the breakdown by business sectors are provided below.

- the Consumer Goods sector for 11,010 thousand euros, regarding operating and complex software user licenses and the acquisition of patents, in addition to Trademarks and Designs and Third-Party Fragrances associated with the brand Laura Biagiotti;
- the Industrial Technology sector for 11,073 thousand euros for patents and software licenses, following the revaluation carried out during 2021;
- the Health business for 7,392 thousand euros relating to software licenses;
- the Holding Activities for 4,976 thousand euros for licenses and investments in software.

The increases recorded in the year involve several companies, in particular:

- the company Angelini Holding S.p.A. with investments for 3,107 thousand euros, in the context of ICT licenses intended to provide adequate infrastructure to the Group companies;
- the company Angelini Pharma S.p.A. with an increase of 6,867 thousand euros in new investments

in software licenses for IT products to be used in the company’s production activities, such as Electronic Batch Record and Regulatory Information Management software;

- the company Fater S.p.A., which increased the item by 3,143 thousand euros with considerable investments in the replacement of the IT system with the transition to the SAP S/4HANA system.

CONCESSIONS, LICENSES, TRADEMARKS AND SIMILAR RIGHTS – 1,210,653 THOUSAND EUROS

The item is mainly concentrated in the business segments of Health for 1,173,074 thousand euros and Consumer Goods for 37,438 thousand euros.

The increase recorded in the year mainly refers to Angelini Pharma S.p.A. for 2,252 thousand euros for brand renewals and to Greyhound Beauty S.r.l. for 1,473 thousand euros in relation to Trussardi brands in the dermo-cosmetics sector.

GOODWILL – 46,284 THOUSAND EUROS

“Goodwill” includes the consolidation differences generated by the consolidation of equity not allocated to a specific item. As of December 31, 2023, this item amounted to 34,838 thousand euros.

Details of the consolidation differences as of December 31, 2023 are shown below.

(thousands of euros)

DESCRIPTION	Historical cost at 2022	Writedowns at 2022	Provision amort./dep. at 2022	NBV 12/31/2022	Amortization/ Depreciation	Historical cost at 2023	Provision amort./dep. at 2023	NBV 12/31/2023
Angelini Wines & Estates Società Agricola a r.l. (formerly Bertani Domains S.r.l.)	8,386	0	(8,386)	0	0	8,386	(8,386)	0
Angelini Wines & Estates Società Agricola a r.l. (formerly Fazi Battaglia)	1,945	0	(1,741)	204	(104)	1,945	(1,845)	100
Angelini Beauty S.p.A.	23,839	0	(22,114)	1,725	(863)	23,839	(22,977)	862
Angelini Consumer S.r.l. (formerly MyFamilyPlace S.r.l. - 70%)	2,111	(1,478)	(633)	0	0	633	(633)	0
Angelini Consumer S.r.l. (formerly MyFamilyPlace S.r.l. - 30%)	5,984	(4,788)	(1,196)	0	0	1,196	(1,196)	0
Fameccanica.Data S.p.A.	39,854	0	(1,993)	37,861	(3,985)	39,854	(5,978)	33,876
TOTAL	82,119	(6,266)	(36,063)	39,790	(4,952)	75,853	(41,015)	34,838

The item changed exclusively due to the amortization rate in the year. The item also includes goodwill from the allocation of the price paid for the acquisition of the ThermaCare business unit by Angelini Pharma Inc. in fiscal year 2020.

FIXED ASSETS IN PROGRESS AND DOWN PAYMENTS – 20,899 THOUSAND EUROS

Intangible fixed assets in progress mainly refer to investments in licenses and marketing rights made in the Health sector and not yet completed at the end of the fiscal year (6,650 thousand euros), as well as to the progress of ICT projects and licenses to use operating software in the segments of Consumer Goods (1,433 thousand euros).

The increase during the year is entirely attributable to the Holding Activities (12,051 thousand euros), specifi-

cally Angelini Holding S.p.A., as a result of the advance on the joint ownership acquisition of a portion of two aircraft, for a total of 200 flight hours and the related management services, which at the end of the current year were no longer in use by the Company.

TANGIBLE FIXED ASSETS – 461,604 THOUSAND EUROS

The breakdown of individual items, net of amortization for the year of 46,636 thousand euros, is shown in the following table.

(thousands of euros)

	Net value current year	Net value previous year	Difference
Land and buildings	240,233	228,864	11,369
Plant and equipment	129,149	135,301	(6,152)
Other fixtures and fittings, tools and equipment	4,087	3,818	269
Other tangible assets	11,409	13,207	(1,798)
Tangible fixed assets in progress and down payments	76,726	39,704	37,022
TOTAL	461,604	420,894	40,710

The difference in tangible fixed assets compared to the previous year concerns significant investments in the Health sector in terms of the production plants and in

the Holding Activities sector in terms of real estate investments.

A more accurate description of the changes during the year for each category of tangible fixed assets is provided below.

(thousands of euros)

HISTORICAL COST							
	Opening balance	Increases	Reclassifi- cation	Decreases	Other move- ments	Currency translation differences	Ending bal- ance
Land and buildings - Cost	377,449	17,931	2,562	(1,410)	(319)	(609)	395,604
Plant and equipment - Cost	487,832	13,051	10,149	(13,987)	3	(1,566)	495,482
Other fixtures and fittings, tools and equipment - Cost	43,594	2,133	1,538	(587)	(26)	(76)	46,576
Other tangible assets - Cost	47,305	1,759	1,656	(2,272)	291	(431)	48,308
Tangible fixed assets in progress and down payments	39,704	57,360	(17,197)	(2,942)	(1)	(198)	76,726
TOTAL	995,884	92,234	(1,292)	(21,198)	(52)	(2,880)	1,062,696

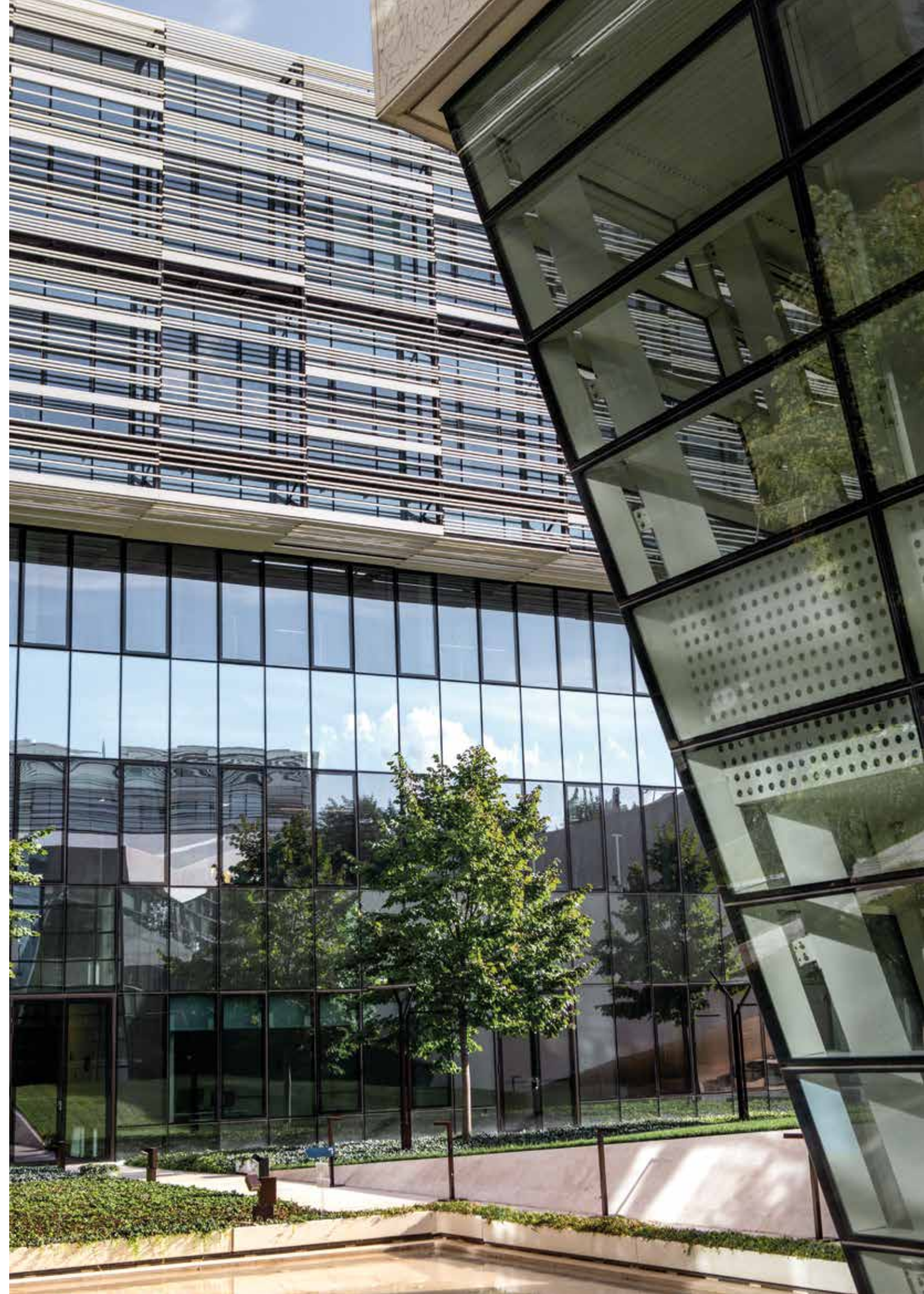
(thousands of euros)

	ACCUMULATED AMORTIZATION/DEPRECIATION							Ending balance
	Opening balance	Amortization/ Depreciation	Reclassifica- tion	Decreases	Writedowns	Other move- ments	Currency translation differences	
Land and buildings - Accumulated depreciation	(148,585)	(8,557)	0	3,120	(1,443)	(1)	95	(155,371)
Plant and equipment - Accumulated depreciation	(352,531)	(29,266)	1,961	12,003	(713)	1,489	724	(366,333)
Other fixtures and fittings, tools and equipment - Accumulated depreciation	(39,776)	(2,348)	(1,805)	535	0	869	36	(42,489)
Other tangible assets - Accumulated depreciation	(34,098)	(4,309)	(156)	2,203	0	(878)	339	(36,899)
TOTAL	(574,990)	(44,480)	0	17,861	(2,156)	1,479	1,194	(601,092)

LAND AND BUILDINGS – 240,233 THOUSAND EUROS

The item “Land and buildings” is mainly broken down between the Wine activity (76,819 thousand euros), Holding Activities and specifically Angelini Real Estate S.p.A. (86,622 thousand euros), Consumer Goods (29,409 thousand euros), Industrial Technology (20,207 thousand euros) and Health (30,205 thousand euros). The increases include the investment by Angelini Pharma S.p.A. in the renovation of several production departments at the site in Ancona and seismic upgrade

works at the Aprilia plant, for a total of 2,052 thousand euros; Angelini Real Estate S.p.A. recorded a sizeable investment in two prestigious properties. It should be noted that at the end of the year, the Company only had use of one of the two properties, classified among “Land and buildings”, for an amount equal to 14,472 thousand euros; the second property, made available in early 2024, was classified among “Tangible fixed assets in progress and down payments” for a value of 22,891 thousand euros.



PLANT AND EQUIPMENT – 129,149 THOUSAND EUROS

The item is broken down into all the business segments, specifically: Health for 59,540 thousand euros, Consumer Goods for 53,556 thousand euros, Industrial Technology for 9,760 thousand euros, and Holding Activities for 6,293 thousand euros.

Increases in investments in plant and equipment were mainly concentrated in the Health, Industrial Technology, Consumer Goods and Wine activities.

In the Consumer Goods sector, investments involved the new production line for incontinence diapers and the modernization of the existing production lines by the joint venture Fater S.p.A. for a total of 5,928 thousand euros. In the Health sector, investments amounted to approximately 12,687 thousand euros for new production plants included in the renovation and modernization works of several departments; in the Industrial Technology sector, the photovoltaic system located in the parking lot dedicated to company employees was implemented, and new technological systems were built for a total of 1,739 thousand euros; as for the Wine activity, investments were mainly in farming machinery and wine cellar equipment for 1,712 thousand euros.

(thousands of euros)

	2023	2022	Difference
Equity investments in subsidiary companies	31,240	18,059	13,181
Equity investments in affiliated companies	9,282	6,228	3,054
Equity investments in other companies	249,888	256,012	(6,124)
Receivables from other entities	11,808	11,855	(47)
Other investments	5,331	5,646	(315)
Derivative financial assets (non-current)	16,769	47,537	(30,768)
TOTAL	324,318	345,337	(21,019)

FIXED ASSETS IN PROGRESS AND DOWN PAYMENTS – 76,726 THOUSAND EUROS

Tangible fixed assets in progress are attributable to Health (14,284 thousand euros), Consumer Goods (13,691 thousand euros), Holding Activities (45,113 thousand euros), and Industrial Technology (3,638 thousand euros).

During FY 2023, as part of the continuation in investments in tangible fixed assets, the Angelini Industries Group increased the tangible fixed assets in progress in the Consumer Goods sector for new production plants, particularly in the joint venture Fater S.p.A. for 9,767 thousand euros, the Health sector for research facilities and laboratories (6,460 thousand euros), the Holding Activities sector for property management, in particular for the progress of the third phase of the renovation of the Casa Angelini headquarters (8,129 thousand euros), for the renovation works on a noble building in Rambla de Catalunya in Barcelona for 4,314 thousand euros, and for the purchase of the aforementioned prestigious property for 22,891 thousand euros.

FINANCIAL FIXED ASSETS – 324,318 THOUSAND EUROS

The composition of individual items is shown in the following table.

EQUITY INVESTMENTS – 290,410 THOUSAND EUROS

The composition of “Equity investments” after the elimination of values affected by consolidation is as follows.

(thousands of euros)

	2023	2022	Difference
Subsidiaries and affiliated	40,522	24,287	16,235
Other entities	249,888	256,012	(6,124)
TOTAL	290,410	280,299	10,111

Unconsolidated subsidiaries and affiliated – 40,522 thousand euros

The increases in the item concern capital contribution payments made by the Parent Companies during FY 2023. In particular:

- Angelini Lumira Biosciences Ltd. is a venture capital fund managed by Lumira Ventures and wholly owned by the Company, established with the goal of investing in early stage companies in Canada and the United States that are developing pharmaceutical therapies for central nervous system disorders and rare diseases. The overall commitment assumed by the Company is equal to 35 million dollars, representing 100% of the shares of the fund, against an overall value of the equity investment at the end of the current year for 15,565 thousand euros, which includes the additional drawdown in 2023 equal to 10,964 thousand euros;
- Argobio S.a.s. is an incubator of European start-ups operating in the life science market. Its objective is to establish and develop at least five ambitious biotech companies over the next five years. The incubator is focused on therapeutic areas

- concerning rare diseases, neurological disorders, oncology and immunology, in order to develop promising technology platforms for therapeutic products. The overall commitment assumed by the Company amounts to 15,000 thousand euros, against an overall value of the equity investment at the end of the current year for 9,000 thousand euros, which includes an increase of 3,000 thousand euros during 2023;
- Angelini Pharma UK-I Limited, a company operating in the Health sector that received capital contribution payments from the Parent Company Angelini Pharma S.p.A. for 2,500 thousand euros;
- Angelini Pharma Netherlands B.V., a company operating in the Health sector that received capital contribution payments from the Parent Company Angelini Pharma S.p.A. for 3,000 thousand euros.

In 2023, a new company was established, operating in the Industrial Technology sector, Angelini Dynamics S.r.l.; at the end of the year, it was considered necessary to entirely write down this equity investment because the premises of industrial development for which it had been established had changed.

Writedowns in equity investments were recorded, described in the current paragraph, for a total of 6,786 thousand euros, as a result of the losses suffered by the companies; the value adjustments refer to:

- Borgo Tre Rose S.r.l. for 229 thousand euros;
- Angelini Hive USA Corp. for 1,244 thousand euros;
- MyFamilyPlace Shop S.p.A. for 1,657 thousand euros;

The following table summarizes the non-consolidated subsidiaries and associated companies in light of the applicable accounting regulations.

(thousands of euros)

NON-CONSOLIDATED SUBSIDIARIES	Business segment	% ownership	12/31/2023	12/31/2022
Angelini Pharmaceuticals (Private) Ltd.	Health	100%	133	133
Borgo Tre Rose S.r.l.	Holding Activities	100%	2,997	3,226
Genesis Code S.A.	Health	100%	284	284
Angelini Pharma Nordics A.B.	Health	100%	1,941	1,941
Angelini Pharma France S.a.s.	Health	100%	1,000	1,000
Angelini Pharma UK-I Limited	Health	100%	5,000	2,500
Angelini Pharma Netherlands B.V.	Health	100%	3,000	0
Angelini Hive USA Corp.	Holding Activities	100%	168	24
Angelini Lumira Biosciences Ltd. Partnership	Holding Activities	100%	15,565	4,601
Teqqo S.r.l.	Industrial Technology	80%	1,100	3,050
MyFamilyPlace Shop S.p.A.	Consumer Goods	100%	52	1,300
Angelini Dynamics S.r.l.	Industrial Technology	100%	0	0
TOTAL			31,240	18,059

(thousands of euros)

NON-CONSOLIDATED AFFILIATED	Business segment	% ownership	12/31/2023	12/31/2022
MadreNatura A.G.	Consumer Goods	50%	282	228
Argobio S.a.s.	Holding Activities	30%	9,000	6,000
TOTAL			9,282	6,228

The information required by the Civil Code in relation to these companies is also given below.

(thousands of original currency)

NON-CONSOLIDATED SUBSIDIARIES				Values from the latest approved annual financial statements			
COMPANY NAME	Office	Original currency	Share capital in original currency	Shareholders' equity in original currency	Profit (Loss) in original currency	% ownership	Book value (thousands of euros)
Angelini Pharmaceuticals (Private) Ltd.	Pakistan	PKR	546,955	n.a.	n.a.	100%	133
Borgo Tre Rose S.r.l.	Italy	EUR	90	510	(232)	100%	2,997
Genesis Code S.A.	Greece	EUR	n.a.	n.a.	n.a.	100%	284
Angelini Pharma Nordics A.B.	Sweden	SEK	1,000	21,773	1,804	100%	1,941
Angelini Pharma France S.a.s.	France	EUR	1,000	(1,342)	(96)	100%	1,000
Angelini Pharma UK-I Limited	United Kingdom	GBP	2,997	6,985	2,735	100%	5,000
Angelini Hive USA Corp.	United States	USD	1,000	26	(847)	100%	168
Angelini Lumira Biosciences Ltd. Partnership	United States	USD	4,875	3,682	(771)	100%	15,565
Teqqo S.r.l.	Italy	EUR	1,000	1,641	(116)	80%	1,100
MyFamilyPlace Shop S.p.A.	Italy	EUR	50	148	(2,655)	100%	52
Argobio S.a.s.	France	EUR	29,962	15,452	(8,650)	30%	9,000
MadreNatura A.G.	Switzerland	EUR	91	565	(2,973)	50%	282
Angelini Pharma Netherlands B.V.	Netherlands	EUR	1	(1,891)	(1,008)	100%	3,000
Angelini Dynamics S.r.l.	Italy	EUR	200	(238)	(437)	100%	0

Other businesses – 249,888 thousand euros

The value of the equity investments in other companies is mainly formed of the financial investments of Angelini Holding S.p.A., Angelini Ventures S.p.A., and Ange-

lini Investments S.r.l.

The following tables summarize the changes in the financial investments of the three companies.

ANGELINI HOLDING S.P.A.

(thousands of euros)

IN OTHER COMPANIES	12/31/2022		CHANGES DURING THE YEAR					12/31/2023	
	Cost	Value ad-justments	Increases	Decreases	Revaluation	Writedowns	Use of provision	Ending balance	% owner-ship
d-bis) other companies									
Flagship I	8,743	0	0	0	0	(3,614)	0	5,130	n.a.
Flagship IV Ventures Fund	0	0	0	0	0	0	0	0	n.a.
Flagship V Ventures Fund	0	0	0	0	0	0	0	0	n.a.
Tages Emerging Fund I	8,857	225	0	(5,775)	0	(374)	0	2,933	n.a.
Tages Credit Opportunities Feeder Class I	141	(136)	0	(5)	0	0	0	0	n.a.
Springgrowth S.G.R.	4,700	0	0	(1,886)	0	0	0	2,814	n.a.
Oberon	5,518	0	0	(2,934)	0	0	0	2,585	n.a.
Consorzio "Identitas Vini"	1	0	0	0	0	0	0	1	n.a.
FF Investments	319	0	0	0	0	0	0	319	n.a.
ZOO 5	2,000	0	0	0	0	0	0	2,000	n.a.
TOTAL	30,279	89	0	(10,600)	0	(3,987)	0	15,782	

Equity investments in other companies of Angelini Holding S.p.A. amounted to 15,782 thousand euros, down by 14,587 thousand euros compared to the previous year (30,368 thousand euros as at December 31, 2022). The item mainly includes long-term investments in shareholdings, SICAVs (open-ended investment companies), and mutual investment funds, and its difference is due to the value adjustments and cap-

ital repayments recorded during the year. In particular, it should be noted that, on the basis of future expectations around the recoverability of its value, the equity investments in Flagship I and Tages Emerging Fund I were written down for 3,614 thousand euros and 374 thousand euros respectively, thus aligning the book value recorded in the financial statements with the respective net asset value as at December 31, 2023.

ANGELINI VENTURES S.P.A.

(thousands of euros)

IN OTHER COMPANIES	12/31/2022		CHANGES DURING THE YEAR						12/31/2023	
	Cost	Value adjustments	Increases	Decreases	Reclassifications/increases from mergers	Revaluation	Writedowns	Use of provision	Ending balance	% ownership
Pretzel Therapeutics Inc.	3,962	0	2,741	0	0	0	0	0	6,703	8.30%
Lumira Ventures IV L.P.	1,278	0	533	0	0	0	0	0	1,811	11.64%
Extend S.r.l.	171	0	998	0	0	0	0	0	1,170	16.50%
Serenis Health S.r.l.	1,000	0	0	0	0	0	0	0	1,000	3.93%
Cadence Neuroscience Inc.	0	0	947	0	0	0	0	0	947	1.63%
Freya Biosciences	0	0	1,600	0	0	0	0	0	1,600	4.64%
Freya Biosciences License Co.	0	0	2	0	0	0	0	0	2	4.64%
Cour Pharmaceuticals Development Company Inc.	0	0	2,616	0	0	0	0	0	2,616	2.16%
Avation Medical Inc.	0	0	3,668	0	0	0	0	0	3,668	8.05%
CoMind Technologies Limited	0	0	5,000	0	0	0	0	0	5,000	9.57%
Noctrix Health Inc.	0	0	3,667	0	0	0	0	0	3,667	3.80%
TOTAL	6,412	0	21,773	0	0	0	0	0	28,185	

The increases deriving from the venture capital investments made by Angelini Ventures S.p.A. are summarized below.

- Investment in CoMind Technologies Limited**
On December 21, 2023, the investment in CoMind Technologies Limited was finalized for an amount equal to 5 million euros. CoMind is developing a non-invasive neural device to measure intracranial biomarkers such as intracranial pressure, which can only currently be measured by drilling through the skull and inserting specific devices, allowing for better evaluation and better treatment for complex neurological conditions.
- Investment in Avation Medical Inc.**
On December 16, 2023, the Company made an investment of 3,668 thousand euros in the capital of Avation Medical Inc., the developer of a neuromodulation therapy system combined with a mobile app, approved by the FDA, in order to provide patients with at-home solutions.
- Investment in Noctrix Health Inc.**
On December 26, 2023, the investment in Noctrix Health Inc. was finalized for an amount equal to 3,667 thousand euros. Noctrix developed the Nidra NTX100 neurostimulation system for refractory RLS (Restless Legs Syndrome) and received FDA approval in 2023. The next target is to market the product in the United States, expand into Europe and launch a second-generation product with more connected elements.
- Investment in Cour Pharmaceuticals Inc.**
On November 7, 2023 the Company made an investment of 2,616 thousand euros in Cour Pharmaceuticals Inc., against an overall commitment of 4 million dollars. Cour Pharmaceuticals is developing

an innovative therapy for the treatment of various autoimmune diseases, such as type 1 diabetes and multiple sclerosis.

- Investment in Freya Biosciences**
On May 23, 2023 the Company signed off on an investment equal to 1,600 thousand euros in Freya Biosciences, a clinical-stage company that adopts an innovative approach to women's health, based on microbial immunotherapies.
- Investment in Cadence Neuroscience Inc.**
On February 21, 2023, the investment in Cadence Neuroscience Inc. was finalized for an amount equal to 947 thousand euros. Cadence Neuroscience is developing a new implantable neuromodulation system for the treatment of drug-resistant epilepsy (DRE) and other brain disorders.
- Increase in the investment in Pretzel Therapeutics Inc.**
During the year, the Company made a further investment for an amount of 2,741 thousand euros in Pretzel Therapeutics Inc., a pre-clinical stage company that develops drugs targeted at mitochondrial disorders, such as mitochondrial DNA depletion syndrome (MDDS) and primary mitochondrial disorders.
- Increase in the investment in Extend S.r.l.**
In the current year, the Company increased its investment in Extend S.r.l. for an amount of 998 thousand euros. Extend is a start-up generator in Italy, which operates as an incubator for academic projects in order to create new businesses.
- Increase in the investment in Lumira Ventures IV L.P.**
During the year the Company made an additional investment in the fund Lumira Ventures IV L.P. for an amount of 533 thousand euros. Lumira Ventures

IV LP is a venture capital fund operating in the United States and Canada and it invests in companies that develop innovative solutions for healthcare and health tech & life science. As at December 31, 2023 the investment in the fund amounted to 1,811 thousand euros, against an overall commitment equal to 5 million dollars.

According to the most recent financial information available as of the date of preparation of these financial statements and additional evidence of the positive trend of the start-up phase of the investee companies, there are no indicators of impairment of the investments held and described above.

ANGELINI INVESTMENTS S.R.L.

(thousands of euros)

IN OTHER COMPANIES	12/31/2022		CHANGES DURING THE YEAR						12/31/2023	
	Cost	Value adjustments	Increases	Decreases	Reclassification	Revaluation	Writedowns	Use of provision	Ending balance	% ownership
Opera Participation 2	1,437	(1,387)	0	0	0	0	0	0	50	20.55%
GS Distressed Opportunities III	477	(370)	0	(34)	0	0	(73)	0	0	0.00%
Mediobanca	39,850	0	0	0	0	0	0	0	39,850	0.47%
UniCredit S.p.A.	34,226	(9,056)	0	(17,100)	0	2,904	0	0	10,973	0.02%
Libeccio S.r.l.	0	0	0	0	0	0	0	0	0	35.00%
Grecale S.r.l.	0	0	0	0	0	0	0	0	0	20.00%
Tamburi Investments Partners	52,360	0	0	0	0	0	0	0	52,360	10.60%
Sator S.p.A.	2,800	(1,800)	0	0	0	0	0	0	1,000	1.10%
Sator Private Equity Fund a L.P.	4,315	(1,407)	0	(135)	0	0	0	0	2,773	2.00%
Pegaso Transportation Investment	6,133	0	0	0	0	0	0	0	6,133	24.74%
Gamma Luxembourg 2	4	0	0	0	0	0	0	0	4	2.70%
Trilantic Capital Partners V	6,512	0	214	(2,025)	0	0	0	0	4,701	3.51%

IN OTHER COMPANIES	12/31/2022		CHANGES DURING THE YEAR						12/31/2023	
	Cost	Value adjust-ments	Increases	Decreases	Reclassifica-tion	Revaluation	Writedowns	Use of provi-sion	Ending balance	% owner-ship
Asset Italia S.p.A.	21,746	0	0	0	0	0	0	0	21,746	6.36%
Talent Garden S.p.A.	1,000	0	500	0	557	0	0	0	2,056	2.20%
Bluegem III	4,702	0	2,036	0	0	0	0	0	6,739	2.94%
Digital Magics 2020	496	0	0	0	0	0	0	0	496	1.23%
Banca del Fucino	5,000	0	0	0	0	0	0	0	5,000	2.13%
Itaca Holding S.p.A.	733	0	0	0	0	0	0	0	733	0.79%
EQT IX	7,892	0	1,264	0	0	0	0	0	9,156	0.08%
Prysmian S.p.A.	23,643	0	0	(17,075)	0	0	0	0	6,568	0.09%
Revo S.p.A.	2,000	0	0	0	0	0	0	0	2,000	0.89%
Be Cause S.p.A.	450	0	1,050	0	0	0	0	0	1,500	3.64%
Mediobanca Blackrock Project 1	503	0	0	0	0	0	0	0	503	0.89%
Mediobanca Blackrock Project 2	1,191	0	0	0	0	0	0	0	1,191	0.93%
Trilantic VI	3,024	0	2,041	0	0	0	0	0	5,065	1.25%
Eljovy Global	9,164	0	0	0	0	0	0	0	9,164	99.00%
Project Q	500	0	0	0	0	0	0	0	500	3.33%
Mediobanca Blackrock Project 3	362	0	0	0	0	0	0	0	362	1.16%
Energy Transition Investments	2,009	0	0	(356)	0	0	0	0	1,653	3.23%

IN OTHER COMPANIES	12/31/2022		CHANGES DURING THE YEAR						12/31/2023	
	Cost	Value adjust-ments	Increases	Decreases	Reclassifica-tion	Revaluation	Writedowns	Use of provi-sion	Ending balance	% owner-ship
Mediobanca Blackrock Project 4	559	0	0	0	0	0	0	0	559	0.87%
Ogyre_ClubDeal Fiduciaria	50	0	0	0	0	0	0	0	50	n.a.
Get Pica_Club-Deal Fiduciaria	50	0	0	0	0	0	0	0	50	n.a.
Mediobanca Blackrock Project 5	0	0	564	0	0	0	0	0	564	1.30%
Screevo S.r.l.	0	0	50	0	0	0	0	0	50	n.a.
Etic Inv Riina S.p.A.	0	0	3,000	0	0	0	0	0	3,000	10.11%
17th Capital	0	0	2,250	0	0	0	0	0	2,250	0.65%
Vesper Next Generation	0	0	190	0	0	0	0	0	190	3.09%
Clubdesign S.r.l.	0	0	2,776	0	0	0	0	0	2,776	9.73%
Re Learn S.r.l.	0	0	50	0	0	0	0	0	50	n.a.
Mediobanca Blackrock Project 7	0	0	564	0	0	0	0	0	564	1.12%
Nextsense S.r.l.	0	0	3,000	0	0	0	0	0	3,000	10.03%
Mediobanca Blackrock Project 8	0	0	478	0	0	0	0	0	478	1.42%
TOTAL	233,187	(14,021)	20,028	(36,724)	557	2,904	(73)	0	205,858	

The increases during the year recorded in the portfolio of Angelini Investments S.r.l. refer to new investments subscribed during the year and to the increases in the investments already finalized at the end of the previous year. In particular, the following transactions bear noting:

- **Equity investment in Etic Inv Riina S.p.A.**
In the final quarter of 2023, the investment in Etic Inv Riina S.p.A., operating in the shipbuilding sector, was finalized for a total amount of 3 million euros.
- **Equity investment in Nextsense S.r.l.**
In November 2023, the Company invested 3 million euros in Nextsense S.r.l., the company active in the field of microbial infection prevention and control with Biovitae technology.
- **Equity investment in Clubdesign S.r.l.**
On July 4, 2023, the Company finalized the investment worth 2,776 thousand euros in Clubdesign S.r.l., a club deal organized by Tamburi Investment Partners S.p.A. as part of the share price of Italian Design Brands S.p.A.
- **Investment in the fund 17th Capital**
On December 15, 2023 the Company subscribed to a new investment in the Luxembourg fund 17th Capital Investments for an amount of 2,250 thousand euros, against an overall commitment equal to 5 million euros.
- **Increase in the investment in the fund Bluegem III**
On January 4, 2023 the Company made an additional drawdown in the fund Bluegem III for a value of 2,036 thousand euros.

Increase in the investment in the fund EQT IX

During the year the Company made additional drawdowns in the fund EQT IX for an overall value of 1,264 thousand euros.

- **Increase in the investment in Be Cause S.p.A.**
In 2023, the Company increased its investment in Be Cause S.p.A. for a total amount of 1,050 thousand euros, against an overall commitment of 3 million euros.

Decreases during the year may refer to capital repayments made by companies and investment funds in which the Company had previously subscribed equity investments, partial or total divestments made during the year, and writedowns made to adjust the carrying value of financial investments shown in the financial statements when there are indicators of impairment.

Among the decreases recorded, the following movements are particularly noteworthy:

- **Sale of shares in UniCredit S.p.A.**
During the year, the Company sold shares in UniCredit S.p.A. for an overall value of 17,100 thousand euros, achieving a capital gain of 1,473 thousand euros.
- **Sale of shares in Prysmian S.p.A.**
In FY 2023 the Company sold shares in Prysmian S.p.A., for a total value of 17,075 thousand euros, achieving a capital gain of 7,507 thousand euros.
- **Decrease in the equity investment in the fund Trilantic Capital Partners V**
During the year, the fund Trilantic Capital Partners

V reimbursed the Company capital shares of its equity investment for an amount equal to 2,024 thousand euros, which, net of the additional drawdowns made by the Company for 214 thousand euros, led to the decrease in the equity investment for 1,810 thousand euros.

The value restatement refers only to the equity investment in UniCredit S.p.A. for a value equal to 2,904 thousand euros, due to the removal of reasons that had led to the writedown during FY 2021.

Writedowns for the year refer exclusively to the value

adjustment made to the equity investment in GS Distressed Opportunities III for a value of 73 thousand euros, entirely eliminating the value of the equity investment following the closure of the investment fund at the end of the current year. There are no impairment indicators for any of the other equity investments recognized in the financial statements.

The following table contains a comparison of the cost values of investments in listed companies, the market values at the end of the current year, and the corresponding values determined on the basis of the share of interest in the book equity.

EQUITY INVESTMENT	no. shares	Total shares	Market price per share as at 12/31/2023 (euro units)	% ownership	Unit value of equity investment (euro units)		Total value of equity investment (euro units)	
					Cost	Equity	Cost	Equity
Mediobanca S.p.A.	4,000,000	849,937,900	11.25	0.47%	9.96	12.88	39,850,385	51,520,000
UniCredit S.p.A.	424,714	1,784,663,080	24.57	0.02%	25.84	34.67	10,973,081	14,724,834
TIP S.p.A.	19,537,137	184,379,301	9.3	10.60%	2.68	7	52,359,994	136,793,888
Prysmian S.p.A.	250,000	276,534,448	41.17	0.09%	26.27	9.35	6,567,500	2,337,500
Digital Magics	135,200	11,003,677	2.37	1.23%	3.67	1.95	496,000	263,640
Revo S.p.A.	220,000	24,619,985	8.4	0.89%	9.09	8.81	2,000,000	1,939,191

Mediobanca S.p.A.

Its interim report at December 31, 2023 shows how the Mediobanca S.p.A. Group started FY 2023-2024 on a positive note, laying solid foundations for the development of initiatives in the Plan, achieving excellent results in terms of growth aimed at value and setting a historic record for half-yearly net profit, equal to over 610 million euros. From the point of view of Angelini Investments S.r.l., the unit value per share calculated on the basis of the percentage interest in the investee's book equity is 12.88 euros as of December 31, 2023, confirming that it is above cost levels. However, during the year, thanks to the positive performance of the Italian stock market, the value of the stock appreciated significantly compared to FY 2022, with a listing price as at December 31, 2023 of 11.25 euros per share (9.11 euros per share as at December 31, 2022). For these reasons, and considering the positive business outlook in the upcoming year, there is no indicator of impairment of the stock; as a matter of fact, in early 2024, the stock recorded another price increase, exceeding the value of 13 euros per share.

UniCredit S.p.A.

The UniCredit S.p.A. Group closed FY 2023 with a record performance following the achievement of net profit for 8.6 billion euros, a 54% increase compared to FY 2022. Consequently, the stock price on the Italian stock market also recorded exceptional performance during 2023, increasing from 13.27 euros per share at the end of the previous year to 24.57 euros per share as at December 31, 2023, in line with the valuation at cost of the equity investment recorded in the financial statements. Lastly, also considering that during the first few months of 2024 the stock price on the market continued to record growth, exceeding the threshold of

35 euros per share, there is no indicator of impairment on the value of the equity investment.

TIP S.p.A.

Tamburi Investment Partners (TIP) S.p.A. is an investment and merchant bank and is listed on the STAR segment of the Italian Stock Exchange. TIP carries out minority equity investment activities as an active shareholder in listed and unlisted companies capable of expressing and representing excellence. Thanks to its management and illuminated governance, the company has made significant increases in the value of the investments it has made over time, consequently increasing the value for its shareholders, which include Angelini Investments S.r.l. In support of this assertion, it is sufficient to observe the continuous increase over the years in the market value of the investment, which has more than doubled compared to the initial cost, while obviously not expressed in financial statements prepared according to accounting standards not based on the fair value measurement of minority interests. This positive trend was also confirmed in FY 2023. Particularly positive results were recorded by its investees Amplifon S.p.A., Interpump Group, Moncler Group, OVS S.p.A., Roche Bobois S.A. and Prysmian S.p.A. At the end of the current year, on the basis of the considerations shown above, no indicator of impairment in the value of the investment was identified.

Prysmian S.p.A.

Prysmian S.p.A. operates in the business of land and submarine cables and systems for power transmission and distribution, special cables for applications in various industries and medium- and low-voltage cables in construction and infrastructure. For telecommunications, the Prysmian Group manufactures cables and ac-

cessories for voice, video and data transmission, with a complete offering of fiber optic, optical and copper cables and connectivity systems. It has a strong presence in technologically advanced markets and offers a wide range of products, services, technologies and know-how.

Based on the most recent financial information available at the reporting date of these financial statements, the Prysmian S.p.A. Group closed FY 2023 with consolidated revenues equal to over 15 billion euros, a slight decrease by approximately one percentage point compared to the previous period, while EBITDA and the consolidated net result amounted to 1,485 million euros and 547 million euros respectively, a growth of over 7% compared to December 31, 2022. The stock price on the Italian stock market recorded significant growth from 34.66 euros per share as at December 31, 2022 to 41.17 euros per share at the end of FY 2023. On the basis of these considerations, no indicator of impairment of the investment has been identified.

Digital Magics

Digital Magics, listed on AIM Italy, is a business incubator that supports start-ups and innovative SMEs in the tech world with investments and services to enhance and accelerate digital business, with eight offices in Italy and one in London. Digital Magics has more than 60 holdings in its portfolio in start-ups and digital spin-offs with high growth rates. The 2021-2025 Business Plan aims to expand the portfolio of holdings to more than 200 start-ups, with a target value of more than 100 million euros by 2025, which, compared to the current valuation prepared by management of an estimated equity value of 50 million euros, represents a 100% increase. The scenario envisaged by the Plan was amended by the prospective industrial and corporate

integration between Digital Magics S.p.A. and LVenture Group S.p.A., to be carried out through the merger by incorporation of Digital Magics into LVenture (merger finalized on March 8, 2024, taking statutory, accounting and fiscal effect from April 1, 2024). The draft merger envisaged a share exchange ratio of 46 ordinary shares recently issued by the company resulting from the merger (the combined entity) for every 5 ordinary shares of Digital Magics. The first half of 2023 closed positively with an overall valuation of investments in the portfolio equal to 42 million euros, against a book value of 14.3 million euros, with 27 new companies becoming part of the Digital Magics portfolio. On the basis of these considerations and the expected growth scenario resulting from the aforementioned merger operation, there is no indicator of impairment in the value of the investment.

Revo S.p.A.

Revo is a special-purpose acquisition company established to create a major insurance operator in the field of specialty lines and parametric risks, mainly dedicated to SMEs. Company performance in the first half of 2023 was characterized by the company's continuation of its Strategic Plan, which involved the further development of the existing insurance business and expansion of the offer, with the launch of new lines and products focused on specialty and parametric risks. Furthermore, the BoD on January 25, 2023 approved the new 2023-2026 Plan, which confirmed the positive trend of the main income and capital figures, also supported by the interim results from the first half of 2023. On the basis of the considerations shown and the performance of the listing on the Italian Stock Exchange, there is no indicator of impairment in the value of the investment.

CURRENT ASSETS
INVENTORIES – 373,580 THOUSAND EUROS

The composition of the item is shown in the following table.

(thousands of euros)

	2023	2022	Difference
Raw materials, consumables and goods for sale	126,750	130,420	(3,670)
Work in progress and components	36,919	33,254	3,665
Contracts in progress	30,414	32,963	(2,549)
Finished products and goods for resale	174,372	159,634	14,738
Down payments	5,125	4,982	143
TOTAL	373,580	361,253	12,327

The item is represented by the inventory pertaining to the Health sector for 54%, to the Consumer Goods sector for 27%, to the Industrial Technology sector for 18%. The remainder is attributable to the real estate activity of the Holding Activities.

The Group consolidated level of inventory increased compared to the previous year. The increase was concentrated in the Health sector (+15,442 thousand euros), influenced by the simultaneous occurrence of various factors: the slowdown in sales in the final month of 2023 compared to forecasts, the increases in purchase prices linked to inflation, and an unsurprising increase in inventory by virtue of the business growth forecasts. As for Consumer Goods, there was an overall decrease in stock (-3,585 thousand euros): the effect was mainly influenced by lower volumes in stock at the Fater Group

(-4,151 thousand euros), an effect generated by lower quantities in inventory as well as the more limited unit value of stock; there were no particular differences in the Perfumes and Dermocosmetics segment, in line with the previous year; the increase in inventory in the Wine activity (+1,314 thousand euros), formed for the most part by the Company's internal production, was consistent with the business activity; in the Industrial Technology sector there was a slight increase in inventory, equal to +546 thousand euros, influenced by the business growth forecasts on the basis of the order book.

At the end of the current year, the item is shown in the financial statements net of a provision for doubtful accounts for -29,547 thousand euros (-27,434 thousand euros at December 31, 2022).

RECEIVABLES –
660,244 THOUSAND EUROS

The composition is shown below.

(thousands of euros)

	2023	2022	Difference
Receivables from customers	443,158	411,696	31,462
Receivables from Group companies	39,603	51,224	(11,621)
Tax receivables	55,048	52,601	2,447
Deferred tax assets	80,537	68,766	11,771
Receivables from others	41,898	46,024	(4,126)
TOTAL	660,244	630,311	29,933

Receivables from customers are stated net of a provision for doubtful accounts of -10,822 thousand euros, changes in which are shown below.

(thousands of euros)

PROVISION FOR DOUBTFUL ACCOUNTS						
	Opening balance	Increases	Decreases	Other movements	Currency translation differences	Ending balance
Receivables from customers within 1 year	(9,608)	(2,301)	1,273	(221)	35	(10,822)
Provision for doubtful accounts						
TOTAL	(9,608)	(2,301)	1,273	(221)	35	(10,822)

The Health business is the main contributor to the item “Receivables from customers” at 66%, the Consumer Goods business at 21% and the Industrial Technology business at 13%.

The increase in trade receivables of 31,462 thousand euros is distributed amongst various sectors: Health contributed for 15,090 thousand euros and Consumer Goods for 12,345 thousand euros, both attributable to the increase in revenues achieved during the year; Industrial Technology also showed an increase of 4,415 thousand euros, in this case linked to the customer mix, due to greater exposure towards P&G.

Receivables from Group companies refer in part to receivables from Angelini Finanziaria for tax consolidation and Group VAT in the amount of 30,210 thousand euros, while the remainder refers to receivables from subsidiaries and affiliated that are not eliminated by virtue of the consolidation of the latter using a method other than line-by-line. The difference compared to the previous year is influenced by the full repayment of the loan granted to Arvelle Therapeutics Netherlands B.V. by its Parent Company Arvelle Therapeutics B.V., merged in 2022 into Angelini Pharma S.p.A., which as at December 31, 2022 showed a balance of 10 million euros.

RECEIVABLES WITH A TERM OF MORE THAN 5 YEARS

There are no receivables with a residual term of more than 5 years, nor are there any receivables secured by corporate assets as collateral.

FINANCIAL ASSETS THAT DO NOT CONSTITUTE FIXED ASSETS – 920,679 THOUSAND EUROS

This item refers to investments in money market financial instruments and investment funds used for active

management of the Group’s treasury, as well as the balance of centralized treasury current accounts that Angelini Holding S.p.A. holds with other Group companies not included in the scope of consolidation.

The difference compared to the previous year, equal to +95,517 thousand euros, is mainly attributable to the operations carried out during the year, which determined a net increase in the value of the securities in the portfolio for 70,705 thousand euros. The remainder of the difference is linked to the increase in Angelini Holding receivables for centralized treasury current accounts, due from the Parent Company Angelini Finanziaria, including by virtue of the increase in interest expense due to the higher rates applied, and due from the subsidiaries consolidated at cost, in particular Angelini Pharma France, in which the treasury balance reflects the negative performance of the operating results.

CASH AND CASH EQUIVALENTS – 698,160 THOUSAND EUROS

Cash and cash equivalents are mostly concentrated in Angelini Holding S.p.A. for 530,303 thousand euros due to the centralized treasury management carried out through cash pooling with most subsidiaries.

The difference compared to the previous year shows an increase of 239,551 thousand euros; for a better understanding of the cash flows, please refer to the analysis in the Statement of Cash Flows.

PREPAID EXPENSES AND ACCRUED INCOME – 17,311 THOUSAND EUROS

The item mainly refers to accrued interest on bonds, loans/mortgages, insurance policies and multi-year maintenance contracts.

LIABILITIES

EQUITY – 3,014,113 THOUSAND EUROS

As of December 31, 2023, the capital of Angelini Holding S.p.A., amounting to 3,000 thousand euros, was fully subscribed and paid up.

The amounts recorded in share capital, share premium reserve, legal reserve, extraordinary reserve, miscellaneous reserves and merger surplus reserve are values

recorded in the separate financial statements of the Parent Company, Angelini Holding S.p.A.

The change in the translation reserve arises from the conversion of financial statements expressed in foreign currencies into euros. Changes in and breakdown of consolidated equity are shown below.

(thousands of euros)

EQUITY	Opening balance	Allocation of last year net profit	Currency translation differences	Distribution of dividends to the shareholder	Net profit	Other movements	Ending balance
Capital	3,000	0	0	0	0	0	3,000
Share premium account	458,698	0	0	0	0	0	458,698
Revaluation reserve ex Law 126/2020	802,431	0	0	0	0	0	802,431
Legal reserve	601	0	0	0	0	0	601
Extraordinary reserve	78,789	0	0	(40,000)	0	0	38,789
Other reserves	27,221	0	0	0	0	0	27,221
Consolidation reserve	66,848	0	0	0	0	0	66,848
Currency translation reserve	(52,743)	0	(9,177)	0	0	0	(61,920)
Surplus merger reserves	1,682,547	0	0	0	0	0	1,682,547
Cash flow hedge reserve	36,133	0	0	0	0	(23,416)	12,717
Retained earnings	(194,577)	80,046	0	0	0	(625)	(115,156)
Group profit (loss) for the financial period	80,046	(80,046)	0	0	98,316	0	98,316
Total Group Equity	2,988,994	0	(9,177)	(40,000)	98,316	(24,041)	3,014,092
Third party capital and reserve	21	0	0	0	0	0	21
Third party profit (loss) for the financial period	0	0	0	0	0	0	0
Total Third-party capital and reserve	21	0	0	0	0	0	21
TOTAL EQUITY	2,989,015	0	(9,177)	(40,000)	98,316	(24,041)	3,014,113

The changes in Group Equity are attributable to the profit for the year of 98,316 thousand euros. During 2023, dividends were approved and paid to the shareholder Angelini Finanziaria S.p.A. for 40,000 thousand euros.

Furthermore, in 2023 there were changes in the cash flow hedge reserve generated by the mark-to-market valuation of hedging derivative financial instruments, in particular to hedge the interest rate risk on the bank loan taken out at Angelini Holding; note also the release to Income Statement of the cash flow hedge reserve

linked to the closure of the derivative on the loan repaid early at Angelini Investments S.r.l.

The portion of Third party capital and reserve should be attributed to the equity investment in Greyhound S.p.A. for 0.1% by a shareholder outside of the Angelini Industries Group.

PROVISIONS FOR RISKS AND CHARGES – 72,123 THOUSAND EUROS

The item is composed as follows.

(thousands of euros)

	2023	2022	Difference
Provisions for pensions and similar obligations	2,384	2,695	(311)
Provisions for taxation, including deferred taxes	9,979	18,140	(8,161)
Derivative financial liabilities	1,345	4,858	(3,513)
Other provisions	58,415	56,780	1,635
TOTAL	72,123	82,473	(10,350)

(thousands of euros)

	Opening balance	Amounts provided for risk provisions and other accruals	Use of provision	Currency translation differences	Other movements	Ending balance
Provisions for pensions and similar obligations	2,695	498	(620)	(162)	(27)	2,384
Provisions for taxation, including deferred taxes	18,140	257	(8,279)	(119)	(20)	9,979
Derivative financial liabilities	4,858	1,345	(4,851)	0	(7)	1,345
Other provisions Goods returned	4,070	973	(1,053)	0	(326)	3,664
Other provisions Discount coupon	3,988	4,778	(3,396)	0	(1)	5,369
Other provisions Payback/ Clawback	0	13,390	(4,855)	70	8,942	17,547
Other provisions Early retirement incentives	4,525	1,282	(2,885)	0	0	2,922
Other provisions Employee bonuses	0	927	(996)	0	1,199	1,130
Other provisions Litigation with employees	356	0	(135)	0	(15)	206
Other provisions Building reorganization	0	1,279	0	0	0	1,279
Other provisions Environmental risks	207	0	0	0	0	207
Other provisions Future charges	25,660	9,581	(12,616)	46	(3,405)	19,266
Other provisions Other risks	17,974	2,945	(8,389)	(58)	(5,647)	6,825
TOTAL	82,473	37,255	(48,075)	(223)	693	72,123

PROVISIONS FOR TAXATION, INCLUDING DEFERRED TAXES – 9,979 THOUSAND EUROS

The balance includes potential liabilities deriving from tax disputes for 21 thousand euros and the provision for deferred tax for 9,958 thousand euros.
For the comment on the Provision for deferred taxes, see the section related to income taxes for the period.

OTHER PROVISIONS – 58,415 THOUSAND EUROS

These provisions reflect allocations made to meet future charges related to anticipated obligations, reorganization of corporate structure and various risks.

The item is mainly concentrated in the Health business for 41,578 thousand euros, which make up 71% of the item, in the Consumer Goods business for 13,948 thousand euros, or 22%, in the Industrial Technology business for 3,688 thousand euros, or 6%, and in the

Holding Activities sector for 149 thousand euros, less than 1%.

Other provisions mainly contain accruals for the following risks or charges:

- in the Health business they mainly refer to Returns of goods, obligations to settle pharmaceutical expenditures (payback) and exit incentives;
- in the Consumer Goods business, they consist mainly of provisions for discount vouchers and prize contests and provisions for payback;
- in Industrial Technology, they refer mainly to charges for warranty and the installation of already delivered machinery.

EMPLOYEE SEVERANCE INDEMNITY – 18,775 THOUSAND EUROS

The Provision for severance indemnity represents the amount set aside by the subsidiaries for their employees as a result of the application of labor contracts; it refers to personnel employed in Italy.

(thousands of euros)

EMPLOYEE SEVERANCE INDEMNITY	
Opening balance	20,256
Amounts provided for risk provisions and other accruals	14,067
Drawdowns for employee settlement	(2,350)
Drawdowns for pension fund contributions	(11,920)
Other movements	(1,276)
Merger	0
Additions from changes in Group structure	0
Currency translation differences	(2)
Disposal from changes in Group structure	0
ENDING BALANCE	18,775

The Health business is the main contribution to the item at 40%, the Consumer Goods business at 37%, the

Industrial Technology business at 21%, and the remainder in the Holding Activities.

PAYABLES – 1,660,589 THOUSAND EUROS

The composition is shown below.

(thousands of euros)

	2023	2022	Difference
Payables to banks within 1 year	164,831	89,120	75,711
Payables to banks over 1 year	780,494	604,890	175,604
Down payments	49,685	60,205	(10,520)
Trade payables to suppliers	447,806	437,238	10,568
Debts represented by bills of exchange	0	9	(9)
Payables to Group companies	42,872	25,958	16,914
Tax payables	33,913	34,815	(902)
Payables to social security institutions	23,568	23,475	93
Other payables	117,420	106,888	10,532
TOTAL	1,660,589	1,382,598	277,991

Amounts due to banks mainly refer to:

- the loan taken out by the company Angelini Holding S.p.A. on April 14, 2022 for an overall amount of 1 billion euros. Specifically, the loan is formed of two lines of credit:
 1. one secured line of credit named Credit Line 1, for a total amount of 600,000 thousand euros;
 2. one secured line of credit named Credit Line 2, for an amount of 400,000 thousand euros, for which the drawdown took place during FY 2023.

Credit Line 1 was used to equip the subsidiary Angelini Pharma S.p.A. with the necessary resources for the full repayment of the loan for 500,000 thousand euros, taken out by the latter on July 27, 2020. The remaining liquidity of the first line of credit, together with the total of Credit Line 2, will be used by the Company to fund the requirements relating to the current activity and ordinary and extraordinary investments.
This debt, in accordance with the amortized cost method, has been shown in the financial statements net of the transaction costs incurred for its stipulation, which amount to 4,550 thousand eu-

ros. The residual balance of the debt as at December 31 is 924,576 thousand euros, divided between the portion to be paid back within the next year (144,082 thousand euros) and the portion to be paid back after the next year (780,494 thousand euros);

- loans received from Fater S.p.A. totaling 20,000 thousand euros.

During the current year, on September 27, 2023 Angelini Investments made full, voluntary repayment of the loan with BNL taken out in 2015 and equal to 50,000 thousand euros.

The composition of the item “Payables to suppliers” is formed of 52% by the Health sector, 32% by Consumer Goods, 13% by Industrial Technology, and 4% by the Holding Activities. The increase recorded during the year is attributable mainly to the companies in the Industrial Technology, Consumer Goods and Holding Activities sectors, while the Health sector showed a decrease compared to the previous year, particularly Angelini Pharma S.p.A.

Payables to Group companies mainly refer to payables to the Parent Company Angelini Finanziaria S.p.A. for an overall amount of 29,220 thousand euros, for income tax transfers under the tax consolidation agreement and for Group VAT; the remainder, equal to 13,652 thousand euros, refers to payables to Group companies that are consolidated using a method other than line-by-line consolidation. In addition to the increase in the tax payable to the Parent Company, the change during the year was also due to the higher payable of Angelini Pharma S.p.A. to the subsidiaries consolidated at cost,

influenced mainly by the definition of the transfer pricing adjustment.

Tax payables mainly refer to the payables for income taxes and withholding taxes on salaries and compensation. On the one hand, the change during the year includes the payment of the final portion relating to the substitute tax for the revaluation of the Tachipirina and Moment trademarks carried out in 2020 by Angelini Pharma S.p.A. in the amount of 8,200 thousand euros. The effect is almost entirely offset by an increase in the tax payables in the Holding Activities, linked to the income taxes of the companies in Spain, and in the Health sector.

Finally, Other payables mainly include liabilities to employees for accrued compensation of approximately 68,060 thousand euros, compensation payable to Directors and Auditors of approximately 3,296 thousand euros, payables for the settlement of healthcare expenses (“payback”) of an additional 13,363 thousand euros and miscellaneous payables such as fees to be reimbursed to customers.

PAYABLES DUE BEYOND 5 YEARS

Payables due beyond 5 years include the loans taken out by Angelini Holding S.p.A. maturing in 2028. There are no payables secured by corporate assets as collateral.

DEFERRED INCOME AND ACCRUED EXPENSES – 3,889 THOUSAND EUROS

The item mainly refers to down payments against sub-license agreements and regional grants.

COMMENTARY ON INCOME STATEMENT ITEMS

VALUE OF PRODUCTION – 2,204,805 THOUSAND EUROS

The item is composed as follows.

(thousands of euros)

VALUE OF PRODUCTION	12/31/2023	12/31/2022	Difference
Revenues from sales and services	2,149,594	1,998,039	151,555
Variations in stocks of finished and semifinished goods and work in progress goods	4,946	10,788	(5,842)
Variation in contracts in progress	(2,267)	(14,673)	12,406
Work performed for own purposes and capitalized	4,344	872	3,472
Other revenues and income	48,188	58,594	(10,406)
TOTAL	2,204,805	2,053,620	151,185

REVENUES FROM SALES AND SERVICES – 2,149,594 THOUSAND EUROS

Revenues from sales and services are broken down by the different businesses as follows: the Health busi-

ness contributes 57%, Consumer Goods 33%, Industrial Technology 10%.

The breakdown of “Revenues from sales and services” by business segment and the composition by geographical area are shown below.

(thousands of euros)

REVENUES BY BUSINESS AREA	12/31/2023	12/31/2022	Difference
Health	1,220,894	1,179,370	41,524
Consumer Goods	708,440	634,510	73,930
Industrial Technology	214,854	177,487	37,367
Holding Activities	5,406	6,672	(1,266)
TOTAL	2,149,594	1,998,039	151,555

(thousands of euros)

REVENUES BY GEOGRAPHICAL AREA	12/31/2023	12/31/2022	Difference
Italy	1,183,912	1,073,696	110,216
Europe	794,588	738,380	56,208
Rest of the world	171,094	185,963	(14,869)
TOTAL	2,149,594	1,998,039	151,555

The Group’s revenues increased by a total of 151,555 thousand euros during the year.

The most significant revenue growth was recorded in the Consumer Goods sector, with a positive difference of 73,930 thousand euros. The effect is driven by the higher revenues recorded at Fater S.p.A. (+62,670 thousand euros) across all product lines, mainly following a general increase in sale prices implemented to counter the increase in the costs of raw materials recorded last year, but which did not, however, prevent growth in volumes.

The Perfumes and Dermocosmetics segment also recorded an increase in revenues amounting to 15,289 thousand euros, particularly at the Italian company, where the strategy of expanding on the Italian and international markets was confirmed, recording good sales performances especially on consolidated products such as Trussardi and Biagiotti, and at the Spanish company, driven by the sales results of Versace and Moschino.

The Wine sector showed turnover substantially in line with the previous year.

The higher revenues in the Health sector were record-

ed entirely on the international markets, driven mainly by the positive performances of turnover for Tantum Verde and the growth in revenues on the Ontozry product; the best international results were partially offset by the slowdown in sales in Italy, particularly on the Tachipirina and Amuchina products, both linked to the absence during the year of extraordinary illness from COVID-19 with effects still present in 2022.

With reference to the Industrial Technology sector, the increase in revenues, amounting to 37,367 thousand euros, is entirely attributable to the different percentage of consolidation in the two years being compared: the acquisition of control of Fameccanica.Data S.p.A. took place in June 2022, so the revenues for the previous year were affected by the lower contribution of the first six months due to the 50% consolidation. Net of this effect, the sector’s revenues decreased by 2,763 thousand euros, linked to the trend in orders and several delivery delays of orders.

This item also includes revenues from Group companies consolidated by the proportional method or recorded at cost in the total amount of 1,148 thousand euros, and revenues from the Parent Company Angelini Finanziaria S.p.A. for 1,594 thousand euros.

OTHER REVENUES AND INCOME –
48,188 THOUSAND EUROS

Other revenues and income is 40% attributable to the Health business, 38% to the Consumer Goods business, 19% to the Industrial Technology business, and 3% to Holding Activities.

Other revenues mainly refer to:

- operating grants of 8,167 thousand euros;
- capital gains on sales of intangible and tangible assets amounting to 106 thousand euros;
- income from chargebacks to customers amount-

- ing to 4,012 thousand euros;
- release to the Income Statement of provisions deemed excessive compared to actual risk assessments in the amount of 14,284 thousand euros;
- income from previous years in the amount of 2,132 thousand euros; and
- royalties amounting to 371 thousand euros.

PRODUCTION COSTS –
2,113,642 THOUSAND EUROS

Details of the item are given below.

(thousands of euros)

PRODUCTION COSTS	12/31/2023	12/31/2022	Difference
For raw materials, consumable and goods for sale	711,675	693,290	18,385
For services	668,685	645,797	22,888
For use of assets owned by others	57,033	49,942	7,091
For staff costs	428,995	396,911	32,084
Depreciation, amortization and writedowns	191,355	202,107	(10,752)
Difference in stock of raw materials, consumables, and goods for resale	(13,329)	(37,430)	24,101
Amounts provided for risk provisions and other accruals	21,158	13,361	7,797
Other operating costs	48,070	50,371	(2,301)
TOTAL	2,113,642	2,014,349	99,293

The Health business contributed 53% to consolidated production costs, Consumer Goods 32%, Industrial

Technology 10%, and Holding Activities 5%.

COSTS FOR RAW MATERIALS, CONSUMABLES AND GOODS FOR SALE – 711,675 THOUSAND EUROS

Costs for raw materials, consumables and goods for sale increased on the whole compared to FY 2022, in line with the increase in the Group's business. At sector level, the highest increase was recorded in Industrial Technology, attributable mainly to the different percentage of consolidation in the first half of 2022, but also to the different product mix and the commercial strategy taken to increase the market share. The Health sector also recorded an increase in the costs of raw materials, an effect generated by inflation that characterized the pharmaceutical sector during the year, and by the increase in business. On the other hand, Consumer Goods recorded a decrease, a phenomenon attributable to the policy to reduce purchases implemented at several businesses, the different product mix, and the interruption to Fater's business in Russia.

COSTS FOR SERVICES – 668,685 THOUSAND EUROS

Costs for services increased as a whole, by an amount of 22,888 thousand euros. This increase then offset the performance in the various business segments. The most significant increase was recorded in the Consumer Goods sector (+30,909 thousand euros), mainly due to the higher variable costs such as advertising, transport and energy consumption, linked to the increase in turnover; the Industrial Technology sector showed an increase of 5,830 thousand euros, in this case also due entirely to the different percentage of consolidation compared to the first half of 2022; in the Health sector, on the other hand, the decrease in costs compared to the previous year was mainly attributable to the decrease in advertising expenses in Germany, in

line with the drop in sales of the ThermaCare product, alongside a lower rebilling of costs to Angelini Pharma S.p.A. by the subsidiaries consolidated with a method other than a line-by-line approach; lastly, in the Holding Activities the decrease in the costs for services was justified by lower compensation to Directors and Auditors, which had been higher in the previous year by virtue of incentives linked to multi-year targets, and lower institutional advertising costs as a result of the Angelini Industries Group rebranding campaign, which largely took place in 2022.

STAFF COSTS – 428,995 THOUSAND EUROS

Personnel costs increased by 32,084 thousand euros from the previous year, generalized across all business segments. The Health sector showed the most significant increase, equal to 12,539 thousand euros, an effect attributable to the adjustment for inflation in Italy and abroad. The increase in the Industrial Technology sector, net of the effect related to the different consolidation, was 966 thousand euros. In the Holding Activities, the growth in costs was partly generated by mutual settlement incentives paid or to be paid to outgoing employees. The Consumer Goods business also showed a positive difference of 5,342 thousand euros, mainly explained by contractual increases.

As of December 31, 2023, the number of employees of the Angelini Industries Group is as follows.

EMPLOYEES	12/31/2023	12/31/2022
Managers	421	419
Executives	873	847
Clerks	2,530	2,529
Workers	1,047	1,052
TOTAL EMPLOYEES	4,871	4,847

OTHER OPERATING COSTS – 48,070 THOUSAND EUROS

The item mainly includes the costs related to the repayment of healthcare expenses ("payback") of 19,863 thousand euros, indirect taxes of 7,563 thousand euros, gifts to third parties of 4,342 thousand euros, registration and renewal charges for trademarks of 2,290 thousand euros, capital losses for the sale of tangible

fixed assets for 2,006 thousand euros, and miscellaneous charges for the remainder. The two highest contributing sectors to the balance were Health (33,230 thousand euros) and Consumer Goods (11,127 thousand euros).

FINANCIAL INCOME AND CHARGES – 46,738 THOUSAND EUROS

(thousands of euros)

FINANCIAL INCOME AND CHARGES	12/31/2023	12/31/2022	Difference
Financial income	96,967	78,682	18,285
Interest and financial charges	45,947	16,238	29,709
Foreign exchange (gains)/losses	4,282	965	3,317
TOTAL	46,738	61,479	(14,741)

Financial income and charges are mainly the result of the investment of the Group's cash and thus refer to the Holding Activities business. Financial income amounted to 96,967 thousand euros and mainly arose from income made on the equity investments in other companies for 28,787 thousand eu-

ros, distributed among the companies Angelini Holding S.p.A. and Angelini Investments S.r.l., from the income on investments in bonds recognized as current assets for 11,016 thousand euros, from interest income accrued on the cash pooling current accounts with the Parent Company Angelini Finanziaria S.p.A. for 13,406

thousand euros, and on other bank current accounts for 22,177 thousand euros; lastly, from the positive differential swap on the hedging derivatives of the bank loan for 21,279 thousand euros. Financial charges amounted to 50,229 thousand euros, formed of the interest expense accrued on bank liabilities for 34,794 thousand euros, the negative differential swap on the

hedging derivatives of the bank loan for 8,500 thousand euros, the losses realized on trading in shares for 2,106 thousand euros and, lastly, foreign exchange losses for 4,282 thousand euros.

VALUE ADJUSTMENTS TO FINANCIAL ASSETS – (1,775) THOUSAND EUROS

(thousands of euros)

VALUE ADJUSTMENTS RELATED TO FINANCIAL ASSETS	12/31/2023	12/31/2022	Difference
Revaluation of equity investments	2,904	266	2,638
Revaluation of non-permanent investments which are not equity investments	414	3	411
Revaluation of derivatives	8,770	10,816	(2,046)
Writedowns of equity investments	(10,773)	(5,823)	(4,950)
Writedowns of other permanent investments which are not equity investments	0	(31)	31
Writedowns of non-permanent investments which are not equity investments	(295)	(2,741)	2,446
Writedowns of derivatives	(2,795)	(11,524)	8,729
TOTAL	(1,775)	(9,034)	7,259

The value adjustments to financial assets showed a negative balance of -1,775 thousand euros compared to the value of -9,034 thousand euros in the previous year. The item “Revaluation of equity investments” includes the balance of Angelini Investments S.r.l. and refers exclusively to the value restatement of the equity investment in UniCredit S.p.A., following the removal of reasons that had led to the writedown in 2021. The revaluation of derivatives mainly includes the effect, equal to 5,995 thousand euros, relating to the

closure of the hedging derivative on the loan worth 50 million euros of Angelini Investments S.r.l., following its early repayment during the previous year. The item “Writedowns of equity investments” includes the writedowns on equity investments in subsidiary companies not consolidated on a line-by-line basis, for a total of 5,280 thousand euros, the writedown of the equity investment in MadreNatura A.G., held by Angelini Holding S.p.A. and consolidated at equity, for an amount of 1,506 thousand euros, and the writedowns of

the equity investments Flagship I and Tages Emerging Fund I held by Angelini Holding S.p.A. for a total value of 3,988 thousand euros.

INCOME TAX FOR THE YEAR AND DEFERRED TAX ASSETS AND LIABILITIES – 37,810 THOUSAND EUROS

The item consists of current tax charges of 39,359 thousand euros, taxes referring to previous years of

4,742 thousand euros and income from deferred tax liabilities/assets of -6,291 thousand euros.

The 39,359 thousand euros in current taxes refers to 29,869 thousand euros in corporate income taxes and 9,490 thousand euros in taxes on production activities.

A reconciliation between theoretical tax rate and effective tax rate is also given below.

NOMINAL TAX RATE UNDER CURRENT LEGISLATION	28.50%
Income from dividends and capital gains on equity investments	(1.00)%
Expenses not deductible for IRAP purposes only	1.11%
Non-deductible charges	0.35%
Untaxed income	0.00%
Cumulative effect of rates applied by consolidated companies	(1.89)%
Deferred tax assets not allocated in previous years	(0.27)%
Unallocated taxes on tax losses	0.50%
Tax effect on revalued assets	5.14%
Non-deductible writedowns of equity investments	1.56%
Amortization of consolidation difference	1.02%
Taxes related to previous years	3.40%
Adjustment of deferred tax assets/liabilities	0.00%
Tax relief	(10.65)%
TOTAL DIFFERENCES	(0.72)%
EFFECTIVE CONSOLIDATED TAX RATE	27.78%

OTHER INFORMATION

INFORMATION ON THE FAIR VALUE OF FINANCIAL INSTRUMENTS

As described above on several occasions, Group companies use derivative financial instruments mainly to hedge the risk of exchange rate fluctuations for financial assets in foreign currencies and for future business transactions in countries where the Group operates with currencies other than the euro.

As required by Article 2427-bis of the Italian Civil Code, the following is information on the fair value of financial instruments used by the Group regardless of the measurement criterion adopted in preparing the financial statements.

The method of recognizing changes in the fair value of derivatives is dependent on their designation as a hedging instrument and, where applicable, on the hedged item. Derivative financial instruments are designated as such only when they meet the requirements described in the “Measurement criteria” section, whether they hedge changes in cash flows, hedge changes in the fair value of an asset or liability or are held for speculative purposes. The following is information on derivative financial instruments outstanding as of December 31, 2023, broken down by type, accounting policy, and nature of the instrument with any indication of the risk being hedged.

INTEREST RATE RISK

				12/31/2023		12/31/2022	
HEDGING INSTRUMENT	Asset/Liability hedged	Current/Non-current	Derivative asset/liability	Fair value (figures in thousands of euros)	Notional (figures in thousands of euros)	Fair value (figures in thousands of euros)	Notional (figures in thousands of euros)
Hedging derivatives cash flows:							
Interest rate swap	Bank loan	Non-current	Assets	0	0	6	1,250
Interest rate swap	Bank loan	Non-current	Assets	0	0	6,656	50,000
Interest rate swap	Bank loan	Current	Assets	16,769	834,250	40,880	600,000
				16,769	834,250	47,542	651,250

EXCHANGE RISK

				12/31/2023		12/31/2022	
HEDGING INSTRUMENT	Asset/Liability hedged	Current/Non-current	Derivative asset/liability	Fair value (figures in thousands of euros)	Notional (figures in thousands of local currency)	Fair value (figures in thousands of euros)	Notional (figures in thousands of local currency)
Hedging derivatives fair value:							
USD forward contracts	Financial assets in USD	Non-current	Assets	110	9,286	(7)	22,991
USD forward contracts	Future sales	Current	Liabilities	(37)	3,386	0	0
Derivatives with unproven hedging relationship:							
PLN forward contracts	Future sales	Current	Liabilities	(1,243)	174,329	(753)	79,136
CZK forward contracts	Future sales	Current	Liabilities	(10)	424,185	(444)	366,796
RON forward contracts	Future sales	Current	Liabilities	(50)	76,660	(184)	56,941
USD forward contracts	Future purchases	Current	Liabilities	0	0	(3,469)	48,174
USD forward contracts	Future sales	Current	Assets	0	0	229	3,500
JPY forward contracts	Future purchases	Current	Assets	0	0	82	299,250
				(1,230)		(4,546)	

SPECULATIVE TRANSACTIONS IN DERIVATIVES

				12/31/2023		12/31/2022	
NON-HEDGING INSTRUMENT	Asset/Liability hedged	Current/Non-current	Derivative asset/liability	Fair value (figures in thousands of euros)	Notional (figures in thousands of local currency)	Fair value (figures in thousands of euros)	Notional (figures in thousands of local currency)
USD forward contracts	Currency forward contract	Current	Assets	242	25,477	1,290	20,000
Options				0	0	0	0
				242	25,477	1,290	20,000

Forward contracts were entered into by the companies to hedge changes in the fair value of financial investments and commercial transactions in foreign currencies related to fluctuations in exchange rates. The term of these forward contracts is one year, and the contracts are renewed from year to year on the basis of the face value in the currency of the underlying investment.

Swap contracts have been entered into to hedge changes in cash flows inherent in floating-rate bank

loans. These derivative instruments have been considered hedges because of the perfect coincidence between the contractual terms of the derivative instrument and those of the hedged liability. The related changes in fair value have therefore been recognized in the appropriate equity reserve. In relation to these instruments, the following table summarizes the change in the “Reserve for expected cash flow hedges” during the year.

(thousands of euros)

BREAKDOWN OF CASH FLOW HEDGE RESERVE	
Opening value	36,133
Period changes	
Increase due to change in fair value	0
Decrease due to change in fair value	(24,815)
Release to Income Statement	(5,995)
Release to adjust assets/liabilities	0
Deferred tax effect	7,394
CLOSING VALUE	12,717

Derivative financial instruments entered into by the Company are not traded in regulated markets. Therefore, in the absence of market input, their fair values as of the balance sheet date have been determined by discounting the future cash flows from the instruments,

estimated on the basis of their contractual characteristics and market forecasts for exchange rate and interest rate trends provided by leading external information providers.

SUBSIDIES, GRANTS AND ECONOMIC ADVANTAGES (LAW 124 OF AUGUST 4, 2017 – ARTICLE 1, PARAGRAPHS 125-129)

As of the end of the fiscal year, Group companies had collected the grants shown in the tables presented below.

(thousands of euros)

Disbursing entity	Recipient entity	Collection date	Amount	Type of contribution
AGEA	Angelini Wines & Estates Società Agricola a r.l.	10/16/2023	6	Operating grant aimed at supporting income from farm crops under the Common Agricultural Policy (CAP) calculated on the basis of the arable land held by the farm application ref. no. 20264371210
AGEA	Angelini Wines & Estates Società Agricola a r.l.	10/23/2023	20	Reg. EC 1305/2013 PSR Marche 2014-2020 - Measure 11 - Sub-measure 11.1.A - Application Year 2021 ID 14241058354 Support application barcode ID 34240434471 - DOWN PAYMENT
AGEA	Angelini Wines & Estates Società Agricola a r.l.	01/27/2023	51	Application for payment for access to the benefits of the National Rural Development Program 2014-2020, Measure 17 - Risk management - Sub-measure 17.1 Crop, animal and plant insurance. Public notice setting out provisions for the concession of support published in OJ no. 57 of March 9, 2018. Plant crops
STATE	Angelini Wines & Estates Società Agricola a r.l.	01/03/2023	15	Use of Tax Credit for new operating assets Article 1, paragraphs 1051 to 1063, Budget Law 2020 et seq.
AGEA	Angelini Wines & Estates Società Agricola a r.l.	05/31/2023	225	EN(WINE)IRONMENT Campaign funded pursuant to Reg. (EU) 1149/2016 and Reg. (EU) 1150/2016 of the European Commission and Ministerial Decree 3893 of April 4, 2019 National Agreement 2 2023/2024. PARTICIPATION THROUGH TEMPORARY CONSORTIUM - AMOUNT PROVIDED TOTAL AW&E SHARE
ENAPRA	Angelini Wines & Estates Società Agricola a r.l.	12/21/2023	3	Operating grant aimed at supporting personnel training projects. Training course carried out in Castelplanio for HACCP, March/May 2023 period
EBAN	Angelini Wines & Estates Società Agricola a r.l.	10/02/2023	15	Operating grant aimed at supporting personnel training projects - EBAN 2022 Notice
AVEPA-FEAGA	Angelini Wines & Estates Società Agricola a r.l.	09/18/2023	4	Capital contribution for the redevelopment and renovation of the national vineyard Application no. 0004742146
STATE	Angelini Wines & Estates Società Agricola a r.l.	02/16/2023	10	Use of Tax Credit for new operating assets Article 1, paragraphs 1051 to 1063, Budget Law 2020 et seq.
STATE	Angelini Wines & Estates Società Agricola a r.l.	03/16/2023	38	Use of Tax Credit for new operating assets Article 1, paragraphs 1051 to 1063, Budget Law 2020 et seq.
AGEA	Angelini Wines & Estates Società Agricola a r.l.	12/15/2023	3	REG. EC 1305/2013 PSR Marche 2014-2020 - Measure 11 - Sub-measure 11.1.A - Application ID 34240434471 - BALANCE
TOTAL			389	

(thousands of euros)

Beneficiary		Collection date	Sum collected	Cause/ref. Project
GSE S.p.A. - 05754381001	Fater S.p.A. - 01323030690	01/31/2023	47	Contributions for incentive tariffs GRIN_000428 Compensation period 11/22
GSE S.p.A. - 05754381001	Fater S.p.A. - 01323030691	02/28/2023	86	Contributions for incentive tariffs GRIN_000428 Compensation period 12/22
Banca del Mezzogiorno - Mediocredito Centrale	Fater S.p.A. - 01323030701	01/30/2023	80	Sustainable Growth Fund Contribution - Smart Factory Ministerial Decree 03/05/2018 - Project no. 27, CUP B82C21000770005, SAL no. 3
Fondimpresa - 97278470584	Fater S.p.A. - 01323030690	08/02/2023	4	PLAN ID 337345
Fondimpresa - 97278470584	Fater S.p.A. - 01323030690	05/30/2023	2	PLAN ID 313453
Fondirigenti - 97141810586	Fater S.p.A. - 01323030690	11/30/2023	2	FDIR 32993
Fondirigenti - 97141810586	Fater S.p.A. - 01323030690	06/05/2023	6	FDIR 30897
TOTAL			228	

COMPENSATION DUE TO BOARD OF DIRECTORS, STATUTORY AUDITORS AND INDEPENDENT AUDITORS

(thousands of euros)

BOARD OF DIRECTORS' AND AUDITORS' FEES	12/31/2023	12/31/2022	Difference
Board of Directors' fees	3,750	9,750	(6,000)
Statutory auditors' fees	70	70	0
Independent auditors' fees	130	130	0
TOTAL	3,950	9,950	(6,000)

SIGNIFICANT EVENTS AFTER THE END OF THE YEAR

No significant events occurred after the end of the year.

These consolidated financial statements, consisting of the Balance Sheet, Income Statement, Statement of Cash Flows and Explanatory Notes to the Financial Statements, give a true and fair view of the consolidated financial position and results of operations for the year and correspond to the results in the accounting records and to the information received from the companies making up the Angelini Industries Group.

Rome, May 28, 2024

ANGELINI HOLDING S.p.A.
for The BOARD of DIRECTORS

(Vice Chairman and CEO)
Sergio Marullo di Condojanni



ANNEX “A” – ANGELINI HOLDING S.P.A. SCOPE OF CONSOLIDATION AS OF 12/31/2023

BUSINESS SEGMENT	COMPANY	CONTROLLED BY	% ownership		Consolidation method	
			12/31/2023	12/31/2022	12/31/2023	12/31/2022
Holding Activities	Angelini Holding S.p.A.	Group Holding Company				
Holding Activities	Angelini Investments S.r.l.	Angelini Holding S.p.A.	100.00%	100.00%	Line-by-line	Line-by-line
Holding Activities	Angelini Real Estate S.p.A.	Angelini Holding S.p.A.	100.00%	100.00%	Line-by-line	Line-by-line
Holding Activities	Borgo Tre Rose S.r.l.	Angelini Real Estate S.p.A.	100.00%	100.00%	Cost	Cost
Holding Activities	Naberoca XXI S.L. Sociedad Unipersonal	Angelini Real Estate S.p.A.	0.00%	100.00%	Liquidated	Line-by-line
Health	Angelini Pharma S.p.A.	Angelini Holding S.p.A.	100.00%	100.00%	Line-by-line	Line-by-line
Health	Angelini Pharmaceuticals (Private) Limited	Angelini Holding S.p.A.	100.00%	100.00%	Cost	Cost
Health	Angelini Ventures S.p.A. (formerly Angelini Hive S.p.A.)	Angelini Holding S.p.A.	100.00%	100.00%	Line-by-line	Line-by-line
Health	Angelini Pharmaceuticals Romania S.r.l.	Angelini Pharma S.p.A.	100.00%	100.00%	Line-by-line	Line-by-line
Health	Angelini Pharma Inc.	Angelini Pharma S.p.A.	100.00%	100.00%	Line-by-line	Line-by-line
Health	Angelini Pharma España S.L.U.	Angelini Pharma S.p.A.	100.00%	100.00%	Line-by-line	Line-by-line
Health	Angelini Pharma Hellas S.A.	Angelini Pharma S.p.A.	100.00%	100.00%	Line-by-line	Line-by-line
Health	Angelini Pharma Österreich G.m.b.H.	Angelini Pharma S.p.A.	100.00%	100.00%	Line-by-line	Line-by-line
Health	Angelini Pharma Česká republika s.r.o.	Angelini Pharma S.p.A.	100.00%	100.00%	Line-by-line	Line-by-line
Health	Angelini Pharma Polska Sp. z o.o.	Angelini Pharma S.p.A.	100.00%	100.00%	Line-by-line	Line-by-line
Health	Angelini Pharma Bulgaria E.O.O.D.	Angelini Pharma S.p.A.	100.00%	100.00%	Line-by-line	Line-by-line
Health	Angelini İlaç San. ve Tic. A.Ş.	Angelini Pharma S.p.A.	100.00%	100.00%	Line-by-line	Line-by-line
Health	Angelini Pharma RUS L.L.C.	Angelini Pharma S.p.A.	100.00%	100.00%	Line-by-line	Line-by-line
Health	Angelini Pharma Deutschland G.m.b.H.	Angelini Pharma S.p.A.	100.00%	100.00%	Line-by-line	Line-by-line

BUSINESS SEGMENT	COMPANY	CONTROLLED BY	% ownership		Consolidation method	
			12/31/2023	12/31/2022	12/31/2023	12/31/2022
Health	Angelini Pharma France S.a.s.	Angelini Pharma S.p.A.	100.00%	100.00%	Cost	Cost
Health	Angelini Pharma UK-I Limited	Angelini Pharma S.p.A.	100.00%	100.00%	Cost	Cost
Health	Angelini Pharma Nordics A.B.	Angelini Pharma S.p.A.	100.00%	100.00%	Cost	Cost
Health	Angelini Pharma Netherlands B.V. (formerly Arvelle Therapeutics Netherlands B.V.)	Angelini Pharma S.p.A.	100.00%	100.00%	Cost	Cost
Health	Angelini Pharma Portugal Unipessoal Lda.	Angelini Pharma España S.L.U.	100.00%	100.00%	Line-by-line	Line-by-line
Health	Angelini Hive USA Corp.	Angelini Ventures S.p.A.	100.00%	100.00%	Cost	Cost
Health	Angelini Lumira Biosciences	Angelini Ventures S.p.A.	100.00%	100.00%	Cost	Cost
Health	Argobio S.a.s.	Angelini Ventures S.p.A.	30.04%	30.06%	Cost	Cost
Health	Angelmed S.A.	Angelini Pharma Portugal Unipessoal Lda.	100.00%	100.00%	Line-by-line	Line-by-line
Health	Genesis Code S.A.	Angelini Pharma Hellas S.A.	75.00%	75.00%	Cost	Cost
Health	Angelini Pharma Magyarország K.f.t.	Angelini Pharma Österreich G.m.b.H.	100.00%	100.00%	Line-by-line	Line-by-line
Health	Angelini Pharma Slovenská republika s.r.o.	Angelini Pharma Österreich G.m.b.H.	100.00%	100.00%	Line-by-line	Line-by-line
Consumer Goods	Italia S.r.l.	Angelini Holding S.p.A.	100.00%	100.00%	Line-by-line	Line-by-line
Consumer Goods	Angelini Wines & Estates Società Agricola a r.l.	Angelini Holding S.p.A.	100.00%	100.00%	Line-by-line	Line-by-line
Consumer Goods	Angelini Beauty S.p.A.	Angelini Holding S.p.A.	100.00%	100.00%	Line-by-line	Line-by-line
Consumer Goods	MadreNatura A.G.	Angelini Holding S.p.A.	50.00%	50.00%	Equity	Equity
Consumer Goods	Angelini Beauty S.A.	Angelini Holding S.p.A.	100.00%	100.00%	Line-by-line	Line-by-line
Consumer Goods	Angelini Beauty G.m.b.H.	Angelini Holding S.p.A.	100.00%	100.00%	Line-by-line	Line-by-line

BUSINESS SEGMENT	COMPANY	CONTROLLED BY	% ownership		Consolidation method	
			12/31/2023	12/31/2022	12/31/2023	12/31/2022
Consumer Goods	Greyhound Beauty S.r.l.	Angelini Holding S.p.A.	99.90%	99.90%	Line-by-line	Line-by-line
Consumer Goods	Angelini Consumer S.r.l. (formerly MyFamilyPlace S.r.l.)	Angelini Holding S.p.A.	100.00%	100.00%	Line-by-line	Line-by-line
Consumer Goods	MyFamilyPlace Shop S.p.A.	Angelini Consumer S.r.l. (formerly MyFamilyPlace S.r.l.)	100.00%	60.00%	Cost	Cost
Consumer Goods	Fater S.p.A.	Angelini Holding S.p.A.	50.00%	50.00%	Prop.	Prop.
Consumer Goods	Fater Portugal Unipessoal Lda.	Fater S.p.A.	100.00%	100.00%	Prop.	Prop.
Consumer Goods	Fater Central Europe S.r.l.	Fater S.p.A.	100.00%	100.00%	Prop.	Prop.
Consumer Goods	Fater Eastern Europe o.o.o.	Fater S.p.A.	100.00%	100.00%	Prop.	Prop.
Consumer Goods	Fater Temizlik Ürünleri Limited Şirketi	Fater S.p.A.	100.00%	100.00%	Prop.	Prop.
Industrial Technology	Angelini Technologies S.p.A.	Angelini Holding S.p.A.	100.00%	100.00%	Line-by-line	Line-by-line
Industrial Technology	Teqqo S.r.l.	Angelini Holding S.p.A.	80.00%	80.00%	Cost	Cost
Industrial Technology	Fameccanica.Data S.p.A.	Angelini Technologies S.p.A	100.00%	100.00%	Line-by-line	Line-by-line
Industrial Technology	Angelini Dynamics S.r.l.	Angelini Technologies S.p.A	100.00%	Cost	N/A	N/A
Industrial Technology	Fameccanica Machinery (Shanghai) Co. Ltd.	Fameccanica.Data S.p.A.	100.00%	100.00%	Line-by-line	Line-by-line
Industrial Technology	Fameccanica North America Inc.	Fameccanica.Data S.p.A.	100.00%	100.00%	Line-by-line	Line-by-line
Industrial Technology	Angelini Dynamics North America Corp.	Angelini Dynamics S.r.l.	100.00%	Cost	N/A	N/A

ANNEX “B” - RECONCILIATION BETWEEN THE EQUITY AND THE PROFIT OF ANGELINI HOLDING S.P.A. AND CONSOLIDATED EQUITY AND PROFIT

(thousands of euros)

	12/31/2023		12/31/2022	
	Equity	Net profit	Equity	Net profit
ANNUAL FINANCIAL STATEMENTS OF ANGELINI HOLDING S.p.A.	2,450,240	(6,755)	2,515,320	(8,757)
Shareholders' equity and period result of the consolidated companies	2,991,315	178,424	2,892,003	203,298
Derecognition of the value of consolidated equity investments	(1,403,787)		(1,394,037)	
Effects of consolidation differences	(121,692)	(4,952)	(116,787)	(2,727)
SUB-TOTAL CONSOLIDATION DIFFERENCE	1,465,836	173,472	1,381,179	200,571
<i>Adjustments</i>				
Derecognition of margins	(34,314)	(6,172)	(28,142)	(6,418)
<i>Derecognition of intragroup transactions</i>				
Dividends	13,159	(90,051)	13,159	(156,925)
Capital gains	(1,033,934)	1,091	(1,035,025)	(59,045)
<i>Other consolidation entries</i>				
Impairment/Revaluation of equity investments	161,564	20,838	146,943	108,663
Other entries	(21,125)	953	(12,962)	2,232
Tax effect	10,680	4,863	6,489	(401)
Amortization/Depreciation	1,988	79	2,054	126
CONSOLIDATED FINANCIAL STATEMENTS OF ANGELINI HOLDING S.p.A.	3,014,094	98,318	2,989,015	80,046

04. Independent Auditor's Report



Angelini Holding S.p.A.

Consolidated financial statements as at December 31, 2023

**Independent auditor's report in pursuant to article 14 of
Legislative Decree n. 39, dated 27 January 2010**

Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010 (Translation from the original Italian text)

To the sole shareholder of
Angelini Holding S.p.A.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Angelini Holding Group (the Group), which comprise the balance sheet as at December 31, 2023, the income statement and statement of cash flows for the year then ended, and explanatory notes. In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at December 31, 2023, and of its financial performance and its cash flows for the year then ended in accordance with the Italian regulations governing financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of Angelini Holding S.p.A. in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The Directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with the Italian regulations governing financial statements, and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Group's ability to continue as a going concern and, when preparing the consolidated financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the consolidated financial statements on a going concern basis unless they either intend to liquidate the Parent Company Angelini Holding S.p.A. or to cease operations, or have no realistic alternative but to do so. The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to consider this matter in forming our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- we have evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- we have obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We have communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on compliance with other legal and regulatory requirements

Opinion pursuant to article 14, paragraph 2, subparagraph e), of Legislative Decree n. 39 dated 27 January 2010

The Directors of Angelini Holding S.p.A. are responsible for the preparation of the Report on Operations of Group Angelini Holding as at December 31, 2023, including its consistency with the related consolidated financial statements and its compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard SA Italia n. 720B, in order to express an opinion on the consistency of the Report on Operations, with the consolidated financial statements of Angelini Holding Group as at December 31, 2023 and on its compliance with the applicable laws and regulations, and in order to assess whether it contains material misstatements.

In our opinion, the Report on Operations is consistent with the consolidated financial statements of Angelini Holding Group as at December 31, 2023 and comply with the applicable laws and regulations.

With reference to the statement required by art. 14, paragraph 2, subparagraph e), of Legislative Decree n. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

Rome, June 13, 2024

EY S.p.A.
Signed by: Jair Castellani, Auditor

This report has been translated into the English language solely for the convenience of international readers.

Nice to meet you, we are Angelini Industries.

“Nice to meet you, we are Angelini Industries” is the creative concept of the Angelini Industries 2023 financial statements. Starting with our Annual Report, the new concept allows for the people who make up our Group to take centre stage. It is thanks to their collective effort that Angelini Industries achieves results and always reaches new targets.

For this reason, we wanted to involve employees from the Parent Company and the operating companies in the project, so that everyone would be represented. Each individual is crucial for creating the atmosphere of passion, professionalism and dedication that is essential for achieving excellent results.

Capturing this essence in photograph, and displaying it, is our way of sharing the values that guide us on a daily basis. And of getting to know us a little better.

ANGELINI HOLDING S.P.A.

a single-shareholder company

Viale Amelia no. 70 - Rome - Italy

Share capital Euro 3,000,000 fully paid-in

Tax Code/Reg. no. with Rome Companies Register 00459650586

Rome Economic and Administrative Index (REA) no. 48408

Annual Report 2023

Angelini Industries

angeliniindustries.com

relations@angeliniindustries.com

Independent auditors:

EY S.p.A.

Graphic design:

TBWA – tbwa.it

Layout:

The Visual Agency – thevisualagency.com

Editing:

postScriptum di Paola Urbani



