

PRESS RELEASE

PIAGGIO GROUP: 2023 DRAFT FINANCIAL STATEMENTS

Piaggio Group CEO Michele Colaninno: *“With each quarter the global macroeconomic scenario is becoming more difficult to interpret and very unstable, and this situation will continue through the current year. That said, 2023 was characterised by consolidation in Europe and the USA, a slowdown in Asia and a healthy recovery in India. Against this background, the Piaggio Group closed the year with a record Net Profit of 91.1 million euro, its best result ever. Our investments in new products and continuing research into new technologies in mechanics and robotics as well as in intelligent software mean we are preparing the next few years with optimism and keeping cash flow under control.*

The close attention to corporate processes and productivity improvements generated very interesting margins, with an EBITDA margin of more than 16%. With regard to ESG issues and green mobility, the Group is rolling out its investments in its production facilities in Italy according to schedule, and taking concrete action to help reach the climate goals set by the European Union.”

- **Consolidated net sales 1,994.6 million euro** (2,087.4 €/mln at 31.12.2022).
- **Industrial gross margin 574.7 million euro, up 3.6%** (554.9 €/mln at 31.12.2022), **28.8% return on net sales** (26.6% at 31.12.2022)
- **EBITDA 325 million euro, up 9%** (298.1 €/mln at 31.12.2022)
EBITDA margin 16.3% (14.3% at 31.12.2022)
- **EBIT 180.7 million euro, up 13.8%** (158.7 €/mln at 31.12.2022). **EBIT margin 9.1%** (7.6% at 31.12.2022)
- **Profit before tax 135.3 million euro, up 6.4%** (127.2 €/mln at 31.12.2022)
- **Net profit 91.1 million euro, the best result ever, up 7.3%** (84.9 €/mln at 31.12.2022)
- **Net financial position -434 €/mln** (-368.2 €/mln at 31.12.2022)
- **559,500 vehicles sold worldwide** (625,500 at 31.12.2022)
- **Capital expenditure 162.9 million euro** (151.7 €/mln at 31.12.2022)
- **MSCI ESG AA Rating confirmed for eighth consecutive year**
- **Debut of the Fashion & Apparel project reflecting the Vespa brand’s lifestyle vocation: presentation of the first creation, a varsity jacket dedicated to the year of the dragon. Vespa is a collective of ideas and cultures.**
- **Dividend: proposed final per-share dividend 8 eurocents** (total dividend for the year, including the interim payout, 20.5 eurocents per share)

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- **Authorisation for the purchase and disposal of own shares**
- **Shareholders called to the Annual General Meeting in extraordinary and ordinary session; proposal for the adoption of a one-tier corporate governance system**

Pontedera, 04 March 2024 - At a meeting today chaired by Matteo Colaninno, the Board of Directors of Piaggio & C. S.p.A. (PIA.MI) examined and approved the draft financial statements and the Piaggio Group consolidated financial statements as at and for the year ended 31 December 2023 and the consolidated non-financial disclosure at 31 December 2023¹.

Piaggio Group business and financial performance at 31 December 2023²

Group consolidated net sales in 2023 totalled **1,994.6 million euro** (-4.4% from 2,087.4 million euro in 2022). In geographical terms, **turnover made a strong improvement in India (+14.9%), was unchanged from the previous year in the EMEA and Americas area, and slackened in the Asia Pacific area (-23.8% at constant exchange rates).**

The **industrial gross margin** was **574.7 million euro, an improvement of 3.6%** (554.9 million euro in 2022), **for a return on net sales of 28.8%** (26.6% in 2022).

Group operating expense for 2023 was **394 million euro** (396.2 million euro in 2022).

The changes in the income statement described above generated **consolidated EBITDA of 325 million euro, the best ever recorded, up by 9%** (298.1 million euro in 2022). The **EBITDA margin** was **16.3%** (14.3% at 31 December 2022).

EBIT amounted to **180.7 million euro, a rise of 13.8%** (158.7 million euro in 2022). The **EBIT margin** was **9.1%** (7.6% at 31 December 2022).

Pre-tax profit for the year was **135.3 million euro, an increase of 6.4%** (127.2 million euro in 2022). Income tax for the period was 44.3 million euro, with an impact on pre-tax profit of 32.7%.

The Piaggio Group reported a net profit for 2023 of 91.1 million euro, its best result ever, with growth of 7.3% from 84.9 million euro posted at 31 December 2022.

Net financial debt at 31 December 2023 was **434 million euro** (368,2 million euro at 31 December 2022).

Group shareholders' equity at 31 December 2023 was **416 million euro** (417.8 million euro at 31 December 2022).

Business performance in 2023

In the year to 31 December 2023, the Piaggio Group sold 559,500 vehicles worldwide (625,500 in 2022), **and reported consolidated net sales of 1,994.6 million euro** (2,087.4 million euro in 2022).

¹ The 2023 draft financial statements and the Piaggio Group 2023 consolidated financial statements have been prepared with the XHTML electronic format pursuant to Delegated Regulation (EU) 2019/815 (known as the ESEF Regulation); with the approval of the consolidated financial statements, the related mark-ups using XBRL tags have also been approved.

² The main alternative performance indicators used by the Piaggio Group, representing the data monitored by management, are as follows:

- EBITDA: earnings (EBIT) before amortisation and depreciation and impairment losses on property, plant and equipment, intangible assets, and rights of use, as reflected in the consolidated income statement;
- Industrial gross margin: net sales less costs to sell;
- Net financial position: gross financial debt less cash and cash equivalents, and other current financial receivables. Determination of the net financial position does not include other financial assets and liabilities arising from measurement at fair value, derivatives designated or not as hedges, fair value adjustments of the related hedged items and related accruals.

Two-wheelers:

For the year ended 31 December 2023, the Group sold 436,300 two-wheelers worldwide, generating net sales of 1,535,9 million euro (516,200 two-wheelers were sold in 2022, for net sales of 1,683.8 million euro).

The figure includes spares and accessories, on which turnover totalled 157.1 million euro (+1% from 155.5 million euro in 2022).

Turnover on two-wheeler sales was stable (+0.9%) in the EMEA & Americas area, with particularly healthy performance on the Italian market (+8.7%), followed by the American market (+3%). Sales slowed in India and in the Asia Pacific region.

In the scooter sector, the Piaggio Group had a 22.4% share of the European market and a 29.7% share of the North American market. In North America the Group continued work to consolidate its presence on the motorcycle market with the Aprilia and Moto Guzzi brands.

Highlights in the scooter sector were the excellent sales performance of the Piaggio Beverly and Piaggio Medley high-wheel models, and the turnover growth for Vespa scooters in the EMEA area.

In the motorcycle sector, the market responded strongly to the Moto Guzzi V100 Mandello and showed clear interest in pre-booking for the new Moto Guzzi Stelvio, which has been praised by the international press. At Aprilia, the new 660cc engine demonstrated outstanding versatility, taking Italian moto rally champion Jacopo Cerutti to a new victory in the famous Africa Eco Race, on an Aprilia Tuareg 660. The Aprilia RS 660 sportsbike was an outstanding protagonist in the Twins Cup class of the prestigious USA MotoAmerica championship, with two riders reaching the podium in the general ranking.

Commercial vehicles:

In commercial vehicles, the Piaggio Group reported 2023 sales volumes of 123,300 vehicles, up 12.8% (109,300 in 2022), for net sales of 458.7 million euro, an improvement of 13.6% from 403.7 million euro in 2022.

The figure includes spares and accessories, where turnover totalled 62 million euro (-3.2% from 64 million euro in 2022).

At geographical level, the Indian market confirmed its recovery, with turnover from commercial vehicles rising 24.2% (+33.9% at constant exchange rates) and sales volumes up 15.8%.

Piaggio Fast Forward:

Piaggio Fast Forward (PFF), the Piaggio Group robotics and future mobility company based in Boston, continued sales of the gita® terrestrial drone and the new gitamini® robot, which condenses the technology and functions of its revolutionary “big brother”, in a more compact design. The company is developing new products to expand its offer.

Gita® and gitamini® are produced in the Piaggio Fast Forward plant in Boston’s Charlestown district. The first marketing phase for the robots focuses on the US market, where the circulation of robots on city streets is already regulated.

PFF designed and developed sensors with an innovative technology offering unparalleled safety, which have been fitted on the new Moto Guzzi Stelvio, to guarantee unmatched levels of safety and comfort. Thanks to the integration of advanced rider assistance systems (ARAS), the new sensors play a vital role in accident prevention and rider protection.

Sustainability and Consolidated Non-Financial Disclosure:

At today's meeting, the Board of Directors also approved the Consolidated Non-Financial Disclosure at 31 December 2023, drawn up in compliance with Lgs.Decree no. 254/2016 (Sustainability Report). As noted in the Sustainability Report, the Piaggio Group consolidated its position among the international players in its sector who lead the way in sustainability, receiving an **AA rating** for the eighth consecutive year from **Morgan Stanley Capital International (MSCI) Research**, one of the top **ESG** rating agencies, which assesses the environmental, social and governance performance of the world's largest corporations.

The MSCI rating together with the "B" ratings (Climate Change and Water Security) assigned by CDP (Carbon Disclosure Project) represent the mid-term path taken by the Group around the world to make a concrete contribution to the attainment of the UN Sustainable Development Goals.

Significant events in and after 2023

Supplementing the information published above or at the time of approval of the 2023 third-quarter results (directors' meeting of 30 October 2023), this section illustrates key events in and after 2022.

On 7 November, the Piaggio Group presented a number of new products at the EICMA tradeshow in Milan. These included: the Aprilia RS 457, the Moto Guzzi Stelvio, the new Moto Guzzi V85 range, the new Vespa Primavera and Vespa Sprint range, which includes an electric model, and the updated version of the Piaggio1 electric scooter.

On 15 November, Piaggio & C. S.p.A. entered into an agreement with a pool of banks for a 200 million euro 4-year revolving line of credit, with an option for a one-year extension. The agreement was signed with BNP Paribas-Banca Nazionale del Lavoro, Bank of America, HSBC, ING Bank, Intesa Sanpaolo and Unicredit (all acting as mandated lead arrangers and bookrunners).

On 30 November Vespa and (RED) signed a new agreement extending their partnership for the two years 2024-2025. Established in 2016, the Vespa and (RED) partnership has created a series of iconic products that have raised more than USD 1.5 million for the Global Fund to Fight AIDS, Tuberculosis and Malaria.

On 4 December 2023, the study commissioned by the Piaggio Group from Interbrand, a global leader in brand consultancy, declared the economic value of the Vespa brand to be more than 1 billion (1,079 million).

On 5 December, Aprilia Racing signed a three-year agreement with Trackhouse, an American motorsports organisation that competes in the NASCAR Cup Series. Under the agreement, which represents an important step forward in the MotoGP project, Aprilia Racing will handle all technical questions, from management of racing bikes to development work during the season, through a special unit.

On 15 December, the Piaggio Group presented its Decarbonisation Plan, drawn up with advisory support from the European Investment Bank (EIB), in line with the EIB PATH framework and the support of the EY consultancy firm (engaged by the EIB), under which it undertakes to put measures in place to cut its Scope 1, 2 and 3 emissions over two time horizons: 2030 and 2050.

Vespa expressed its lifestyle vocation with the introduction of the Fashion & Apparel project, whose mission is to create a Vespa collective embracing art, fashion, music and every other cultural experience for a legendary journey around the world. The official debut took place in Hong Kong on 19 January 2024, with the presentation of a varsity jacket inspired by the new Vespa 946 Dragon, a limited edition of 1,888 scooters designed to celebrate the lunar calendar's year of the dragon.

* * *

Piaggio & C. S.p.A.

In 2023, the parent company reported net sales of 1,246.2 million euro and net profit of 90.6 million euro.

The Board of Directors will ask the AGM to approve payment of a final dividend of 8 eurocents, gross of taxes, to each entitled ordinary share (in addition to the interim dividend of 12.5 eurocents paid on 20.09.2023, ex-dividend date 18.09.2023), **for a total dividend for 2023 of 20.5 eurocents**, amounting overall to 72,630,957.04 euro. The ex-dividend date (coupon no. 22) is 22.04.2024, the record date is 23.04.2024 and the payment date is 24.04.2024.

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Outlook

Although it is still difficult to provide guidance given the persistent difficulties caused by geopolitical tensions and the global macroeconomic situation, Piaggio confirms that, thanks to its portfolio of iconic brands, it will continue to pursue profit margin and productivity goals in the management of its production, logistic and procurement costs and in the management of all its international markets.

The current difficulties in international transport arising from the Israeli-Palestinian conflict and the related rise in transport costs and times will be managed through close attention to inventory management and procurement planning together with steps to raise efficiency.

In light of this, Piaggio confirms the investments planned in new products in the two-wheeler sector and in commercial vehicles, and the consolidation of its commitment to ESG issues.

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Authorisation for the purchase and disposal of own shares

At today's meeting, the Board of Directors agreed to present to the shareholders' meeting a proposal for the renewal of the authorisation for the purchase and sale of own shares granted by the Annual General Meeting of 18 April 2023, which is due to expire on 18 October 2024. The proposal aims to provide the company with a useful strategic investment opportunity for the purposes allowed under law, including the purposes contemplated in art. 5 of EU Regulation 596/2014 (Market Abuse Regulation, hereinafter "MAR") and in the practices allowed under art. 13 MAR, and also for purchases of own shares for subsequent cancellation.

Authorisation to purchase own sales will be requested for a period of 18 months, as from the shareholder resolution date; authorisation to sell own shares will be requested for an unlimited period. As of today, the company holds 426,161 own shares.

All information concerning the terms and procedures of the authorisation will be set out in the Illustrative Report on Own Share Purchases, to be made available to shareholders within the terms envisaged by current laws.

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The Board of Directors agreed to convene the Annual General Meeting to discuss both ordinary and extraordinary business for 17 April 2024, on first call, and 18 April 2024, on second call.

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Proposed amendments to the articles of association: adoption of a one-tier governance system, proceedings of the meetings of the governing bodies

At today's meeting, the Piaggio & C. S.p.A. Board of Directors also decided to ask the AGM to approve amendments to the articles of association in order to adopt a one-tier governance and supervision system, and to bring a series of clauses relating to the proceedings at meetings of the governing bodies into line with the latest practices and guidelines.

The purpose of the proposal to adopt a one-tier governance and supervision system is to align the Piaggio & C. S.p.A. system of governance with international best practice. The one-tier system is the model most frequently adopted by companies listed on the European stock markets and around the world.

One-tier governance consists of a Board of Directors, which is responsible for management, and a Management Control Committee, formed within the board itself, which performs supervisory activities. This type of system helps companies achieve operating efficiency objectives and establish effective internal controls by enabling the management and supervisory functions to build more productive and faster forms of synergy.

The Board of Directors also decided to ask the shareholders to amend the articles relating to online proceedings for the meetings of the governing bodies, in line with the latest practices and guidelines. With specific reference to the shareholders' meeting, the Board will propose the introduction of the option for the company, where allowed by law, to designate for each shareholders' meeting a party on whom shareholders may confer a proxy to represent them at the meeting pursuant to art. 135-undecies of the Consolidated Finance Act and, where allowed by law, that attendance and exercise of voting rights at the shareholders' meeting by entitled parties may also be made exclusively through the designated representative, in accordance with law.

The documentation illustrating these amendments to the articles of association will be made available for the shareholders as required by law.

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Conference call with analysts

The presentation of the financial results as at and for the year ended 31 December 2023, which will be illustrated during a conference call with financial analysts, is available on the corporate website at www.piaggiogroup.com/it/investor.

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The Piaggio Group consolidated income statement, consolidated statement of financial position and consolidated statement of cash flows as at 31 December 2023 are set out below.

The manager in charge of preparing the company accounts and documents, Alessandra Simonotto, certifies, pursuant to paragraph 2 of art. 154-bis of the Consolidated Finance Act, that

the accounting disclosures in this statement correspond to the accounting documents, ledgers and entries.

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In line with the recommendations in the ESMA/2015/1415 guidelines of 5 October 2015, attention is drawn to the fact that this press release contains a number of indicators that, though not yet contemplated by the IFRS (“Non-GAAP Measures”), are based on financial measures envisaged by the IFRS. These indicators – presented in order to assist assessment of the Group’s business performance – should not be considered as alternatives to those envisaged by the IFRS and are consistent with those in the Piaggio Group 2022 Annual Report and in the quarterly and half-year reports. Furthermore, since determination of such indicators is not specifically regulated by the IFRS, the methods used may not coincide with those adopted by other companies/groups, and consequently the indicators in question may not be comparable. In compliance with Consob Communication no. 9081707 of 16 September 2009, it should be noted that the alternative performance indicators (“Non-GAAP Measures”) have not been audited by the independent auditors, nor have the accounting schedules attached hereto.

This press release may contain forward-looking statements relating to future events and Piaggio Group business and financial results. By their nature, these statements are subject to inherent risks and uncertainties since they relate to events and depend on circumstances that may or may not occur or exist in the future. Actual results may differ materially from those expressed in such statements as a result of a variety of factors.

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- ACCOUNTING SCHEDULES FOLLOW -

Consolidated Income Statement

	2023		2022	
	Total	of which related parties	Total	of which related parties
<i>In thousands of euro</i>				
Net Sales	1,994,585	10	2,087,443	
Cost of materials	1,259,872	21,208	1,352,460	38,069
Cost of services and use of third-party assets	283,661	1,453	294,993	1,277
Employee expense	256,147		264,614	
Depreciation and impairment property, plant and equipment	52,588		51,131	
Amortisation and impairment intangible assets	81,570		78,272	
Amortisation rights of use	10,172		9,999	
Other operating income	158,371	360	150,763	419
Impairment reversals (losses) net of trade and other receivables	(3,914)		(2,423)	
Other operating expense	24,366	140	25,574	129
EBIT	180,666		158,740	
Results of associates	(738)	(772)	(892)	(907)
Finance income	1,907		1,536	
Finance costs	44,393	74	26,725	80
Net exchange-rate gains/(losses)	(2,111)		(5,440)	
Profit before tax	135,331		127,219	
Income tax for the year	44,279	(3,861)	42,330	(4,793)
Profit from continuing operations	91,052		84,889	
Discontinued operations:				
Profit or loss from discontinued operations				
Profit (loss) for the period	91,052		84,889	
Attributable to:				
Equity holders of the parent	91,052		84,889	
Minority interests	0		0	
Earnings per share (in €)	0.257		0.239	
Diluted earnings per share (in €)	0.257		0.239	

Consolidated Statement of Comprehensive Income

	2023	2022
<i>In thousands of euro</i>		
Profit (loss) for the period (A)	91,052	84,889
Items that cannot be reclassified to profit or loss		
Re-measurement of defined benefit plans	(1,773)	3,925
Total	(1,773)	3,925
Items that may be reclassified to profit or loss		
Gains (losses) on translation of financial statements of foreign entities	(5,809)	(12,251)
Share of components of Comprehensive Income relating to equity-accounted investees	(657)	(228)
Total gains (losses) on cash flow hedges	(3,486)	(3,538)
Total	(9,952)	(16,017)
Other comprehensive income (expense) (B)*	(11,725)	(12,092)
Total comprehensive income (expense) for the period (A + B)	79,327	72,797
* Other comprehensive income (expense) taking related tax effects into account		
Attributable to:		
Equity holders of the parent	79,336	72,814
Minority interests	(9)	(17)

Consolidated Statement of Financial Position

	<u>At 31 December 2023</u>		<u>At 31 December 2022</u>	
	Total	<i>of which related parties</i>	Total	<i>of which related parties</i>
<i>In thousands of euro</i>				
ASSETS				
Non-current assets				
Intangible assets	754,142		729,524	
Property, plant and equipment	287,510		291,366	
Rights of use	36,866		36,861	
Equity investments	8,484		9,913	
Other financial assets	16		16	
Tax credits	9,678		8,820	
Deferred tax assets	70,439		71,611	
Trade receivables				
Other receivables	18,259		20,021	
Total non-current assets	1,185,394		1,168,132	
Assets held for sale				
Current assets				
Trade receivables	58,878	394	67,143	468
Other receivables	86,879	33,859	56,118	26,293
Tax credits	18,855		45,101	
Inventories	328,017		379,678	
Other financial assets	6,205		59	
Cash and cash equivalents	181,692		242,616	
Total current assets	680,526		790,715	
Total Assets	1,865,920		1,958,847	

	At 31 December 2023		At 31 December 2022	
	Total	<i>of which related parties</i>	Total	<i>of which related parties</i>
<i>In thousands of euro</i>				
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity				
Share capital and reserves attributable to equity holders of the parent	416,146		417,977	
Share capital and reserves attributable to minority interests	(175)		(166)	
Total shareholders' equity	415,971		417,811	
Non-current liabilities				
Financial liabilities	467,053		510,790	
Financial liabilities for rights of use	19,665	4,362	17,713	1,000
Trade payables				
Other non-current provisions	17,691		16,154	
Deferred tax liabilities	7,087		5,173	
Pension funds and employee benefits	25,222		25,714	
Tax payables				
Other payables	12,392		15,530	
Total non-current liabilities	549,110		591,074	
Current liabilities				
Financial liabilities	124,876		71,149	
Financial liabilities for rights of use	10,336	1,247	11,192	1,296
Trade payables	619,003	6,371	739,832	9,858
Tax payables	13,912		19,022	
Other payables	117,267	43,786	93,710	26,450
Current portion of other non-current provisions	15,445		15,057	
Total current liabilities	900,839		949,962	
Total Shareholders' equity and Liabilities	1,865,920		1,958,847	

Consolidated Statement of Cash Flows

This schedule shows the determinants of changes in cash and cash equivalents net of bank overdrafts, as required by IAS 7.

	2023		2022	
	Total	of which related parties	Total	of which related parties
<i>In thousands of euro</i>				
Operating activities				
Profit (loss) for the period	91,052		84,889	
Income tax for the year	44,279	(3,861)	42,330	(4,793)
Depreciation property, plant and equipment	52,347		51,131	
Amortisation of intangible assets	80,961		76,282	
Amortisation rights of use	10,172		9,999	
Allowances for risks, retirement funds and benefits for employees	23,554		24,029	
Impairment losses/(Reversals)	4,746		4,383	
Losses/(Gains) realised on sale of property, plant and equipment	(2,384)		(216)	
Losses/(Gains) realised on sale of intangible assets	0		24	
Finance income	(1,907)		(1,536)	
Dividend income	(34)		(15)	
Finance costs	44,393		26,725	
Income from public grants	(9,041)		(10,402)	
Share of results of associates	772		907	
Change in working capital:				
(Increase)/Decrease in trade receivables	7,410	74	3,379	142
(Increase)/Decrease in other receivables	(32,040)	(7,566)	3,072	(6,208)
(Increase)/Decrease in inventories	51,661		(101,140)	
Increase/(Decrease) in trade payables	(120,829)	(3,487)	116,268	(6,971)
Increase/(Decrease) in other payables	20,419	17,336	33,055	11,413
Increase/(Decrease) in provisions for risks	(12,168)		(15,642)	
Increase/(Decrease) in retirement funds and employee benefits	(11,490)		(11,818)	
Other movements	9,492		(41,034)	
Cash generated by operating activities	251,365		294,670	
Interest expense paid	(29,403)		(21,891)	
Tax paid	(36,744)		(33,284)	
Cash flow from operating activities (A)	185,218		239,495	
Investment activities				
Investment in property, plant and equipment	(54,644)		(63,043)	
Sale price or redemption value of property, plant and equipment	2,788		316	
Investment in intangible assets	(108,225)		(88,632)	
Sale price or redemption value of intangible assets	222		0	
Public grants collected	2,801		1,741	
Dividends collected	0		15	
Interest collected	1,570		1,078	
Cash flow from investment activities (B)	(155,488)		(148,525)	
Financing activities				
Own share purchases	(1,411)		(5,669)	
Outflow for dividends paid*	(79,756)		(53,403)	
Loans received	322,684		73,401	
Outflow for loan repayments	(312,877)		(111,744)	
Other financial assets	(6,205)			
Payment of fees for rights of use	(10,019)		(10,263)	
Cash flow from financing activities (C)	(87,584)		(107,678)	
Increase/(Decrease) in cash and cash equivalents (A+B+C)	(57,854)		(16,708)	
Opening balance	242,552		260,856	
Exchange differences	(5,550)		(1,596)	
Closing balance	179,148		242,552	

*of which €/000 40,349 disbursed in 2023 to the parent IMMSI S.p.A.

Parent Company separate financial statements at 31 December 2022

Income Statement

	At 31 December 2023		At 31 December 2022	
	Total	of which related parties	Total	of which related parties
<i>In thousands of euro</i>				
Net Sales	1,246,171	195,087	1,284,021	220,630
Cost of materials	779,453	151,100	836,239	169,580
Cost of services and use of third-party assets	226,086	56,673	233,812	56,700
Employee expense	175,424		181,708	
Depreciation and impairment property, plant and equipment	27,345		27,403	
Amortisation and impairment intangible assets	72,732		69,441	
Amortisation rights of use	3,383		3,646	
Other operating income	151,732	57,567	161,927	65,201
Impairment reversals (losses) net of trade and other receivables	(723)		(604)	
Other operating expense	18,253	349	20,067	498
EBIT	94,504		73,028	
Results of associates	50,431	50,397	43,445	43,429
Finance income	3,049	2,681	3,840	3,626
Finance costs	37,306	542	21,799	110
Net exchange-rate gains/(losses)	494		(1,988)	
Profit before tax	111,172		96,526	
Income tax expense	20,568	(3,760)	21,469	(3,832)
Profit from continuing operations	90,604		75,057	
Discontinued operations:				
Profit or loss from discontinued operations				
Profit (loss) for the period	90,604		75,057	

Statement of Comprehensive Income

	At 31 December 2023	At 31 December 2022
<i>In thousands of euro</i>		
Profit (loss) for the period (A)	90,604	75,057
Items that cannot be reclassified to profit or loss		
Re-measurement of defined benefit plans	(983)	3,635
Share of components of comprehensive income relating to equity-accounted investees	(787)	312
Total	(1,770)	3,947
Items that may be reclassified to profit or loss		
Total gains (losses) on cash flow hedges	(3,501)	(3,483)
Share of components of comprehensive income relating to equity-accounted investees	(6,507)	(3,109)
Total	(10,008)	(6,592)
Other comprehensive income (expense) (B)*	(11,778)	(2,645)
Total comprehensive income (expense) for the period (A + B)	78,826	72,412

* Other comprehensive income (expense) taking related tax effects into account

Statement of Financial Position

	At 31 December 2023		At 31 December 2022	
	Total	of which related parties	Total	of which related parties
<i>In thousands of euro</i>				
ASSETS				
Non-current assets				
Intangible assets	632,688		612,586	
Property, plant and equipment	164,681		171,563	
Rights of use	14,013		10,250	
Equity investments	110,009		114,662	
Other financial assets	365	349	16	
Non-current tax receivables	2,231		2,496	
Deferred tax assets	48,964		48,475	
Other receivables	15,515		17,356	
Total non-current assets	988,466		977,404	
Assets held for sale				
Current assets				
Trade receivables	52,848	49,324	65,122	57,958
Other receivables	149,426	128,858	159,123	140,073
Current tax receivables	4,767		15,248	
Inventories	220,901		247,427	
Other financial assets	22,003	22,003	25,557	25,557
Cash and cash equivalents	61,574		79,447	
Total current assets	511,519		591,924	
TOTAL ASSETS	1,499,985		1,569,328	

	At 31 December 2023		At 31 December 2022	
		<i>of which related parties</i>		<i>of which related parties</i>
	Total		Total	
<i>In thousands of euro</i>				
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity				
Share capital	207,614		207,614	
Share premium	7,171		7,171	
Legal reserve	32,707		28,954	
Other reserves	(45,788)		(29,991)	
Retained earnings (accumulated losses)	52,218		58,062	
Profit (loss) for the period	90,604		75,057	
Total shareholders' equity	344,526		346,867	
Non-current liabilities				
Borrowings due after one year	467,053		510,790	
Financial liabilities for rights of use > 12 months	7,967	4,152	4,408	645
Other non-current provisions	14,269		12,408	
Pension funds and employee benefits	23,534		24,223	
Other non-current payables	3,174		6,655	
Total non-current liabilities	515,997		558,484	
Current liabilities				
Borrowings due within one year	95,120	281	61,152	375
Financial liabilities for rights of use < 12 months	3,630	1,103	3,303	1,142
Trade payables	409,470	26,827	482,418	34,596
Tax payables	8,120		8,909	
Other current liabilities	112,406	52,211	97,569	49,567
Current portion of other non-current provisions	10,716		10,626	
Total current liabilities	639,462		663,977	
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,499,985		1,569,328	

Statement of Cash Flows

This schedule shows the determinants of changes in cash and cash equivalents net of bank overdrafts, as required by IAS 7.

In thousands of euro	2023	2022
<i>Operating activities</i>		
Profit (loss) for the period	90,604	75,057
Income tax expense (a)	20,568	21,469
Depreciation property, plant and equipment	27,105	27,403
Amortisation of intangible assets	72,123	67,734
Amortisation rights of use	3,383	3,646
Allowances for risks, retirement funds and employee benefits	18,766	19,843
Impairment losses/(Reversals) (b)	(48,843)	(41,120)
Losses/(Gains) realised on sale of property, plant and equipment	6	(2)
Finance income	(3,049)	(3,840)
Dividend income	(34)	(15)
Finance costs	37,306	21,799
Income from public grants	(3,588)	(5,032)
<i>Change in working capital:</i>		
(Increase)/Decrease in trade receivables (c)	11,662	(12,183)
(Increase)/Decrease in other receivables (d)	11,445	(36,609)
(Increase)/Decrease in inventories	26,526	(54,076)
Increase/(Decrease) in trade payables (e)	(72,948)	43,121
Increase/(Decrease) in other payables (f)	11,356	34,944
Increase/(Decrease) in provisions for risks	(8,241)	(12,297)
Increase/(Decrease) in retirement funds and employee benefits	(11,057)	(11,435)
<i>Other movements</i>	(39,660)	5,545
Cash generated by operating activities	143,430	143,952
Interest expense paid	(23,474)	(17,812)
Tax paid	(11,671)	(11,191)
Cash flow relating to operating activities	108,285	114,949
<i>Investment activities</i>		
Investment in property, plant and equipment	(20,544)	(22,115)
Sale price or redemption value of property, plant and equipment	82	10
Investment in intangible assets	(93,518)	(73,809)
Sale price or redemption value of intangible assets	722	24
Investment in non-current financial assets (g)	(3,028)	403
Loans given (g)	(20,519)	(30,159)
Reimbursement loans granted (g)	76	90
Grants collected	610	271
Interest collected	2,780	3,209
Dividends from equity investments (h)	93,686	59,744
Cash flow from investment activities (B)	(39,653)	(62,332)
<i>Financing activities</i>		
Own share purchases	(1,411)	(5,669)
Outflow for dividends paid (i)	(79,755)	(53,403)
Loans received	309,263	66,237
Outflow for loan repayments	(312,955)	(98,246)
Reimbursement liabilities for rights of use	(3,941)	(4,223)
Cash flow from financing activities (C)	(88,799)	(95,304)
Increase / (Decrease) in cash and cash equivalents	(20,167)	(42,687)
Opening balance	79,383	122,142
<i>Exchange differences</i>	(185)	(72)
Closing balance	59,031	79,383

Information on Related Parties

- (a) of which €/000 (income) 3,760 referring to the effects of the contract with the Parent for a consolidated tax return;
(b) of which €/000 50,397 referring to the effects of valuation of equity investments with the equity method;
(c) of which €/000 8,634 relating to Group companies and other Related Parties;
(d) of which €/000 11,215 relating to Group companies and other Related Parties;
(e) of which €/000 7,769 relating to Group companies and other Related Parties;
(f) of which €/000 2,644 relating to Group companies and other Related Parties;
(g) relating in full to transactions/loans with subsidiaries;
(h) relating in full to dividends collected from Group companies;
(i) of which €/000 40,349 disbursed to the parent IMMSI S.p.A.