

## **OFFER DOCUMENT**

### **VOLUNTARY PARTIAL PUBLIC TENDER OFFER**

As per the terms of Article 102 of Legislative Decree No. 58 of February 24 1998, as subsequently amended and supplemented

### **OFFEROR AND ISSUER**

**CIR S.p.A.-Compagnie Industriali Riunite**



### **FINANCIAL INSTRUMENTS ELIGIBLE FOR TENDER**

a maximum of 131,147,541 shares of CIR S.p.A.

### **PRICE PER SHARE OFFERED**

Euro 0.61 for each share of CIR S.p.A. tendered in acceptance of the Offer

### **PERIOD IN WHICH THE OFFER CAN BE ACCEPTED AS AGREED WITH BORSA ITALIANA S.P.A.**

from 8.30 a.m. (Italian time) on November 25 2024 to 5.30 p.m. (Italian time) on December 13 2024, inclusive (unless the Acceptance Period is extended)

### **DATE OF PAYMENT OF THE PRICE OFFERED**

December 20 2024, unless the Acceptance Period is extended

### **FINANCIAL ADVISOR OF THE OFFEROR**



**Mediobanca - Banca di Credito Finanziario S.p.A.**

### **INTERMEDIARY APPOINTED TO COORDINATE THE COLLECTION OF THE TENDERS**



**Società per Amministrazioni Fiduciarie 'SPAFID' S.p.A.**

The approval of this tender offer document, with resolution no. 23321 of November 20, 2024, does not imply any judgment by Consob regarding the advisability of accepting the offer or regarding the figures and the information contained in the said document.

**November 22, 2024**

*Page intentionally left blank*

<b>DEFINITIONS .....</b>	<b>7</b>
<b>FOREWORD .....</b>	<b>13</b>
1. <i>Characteristics of the Offer .....</i>	13
2. <i>Price of the Offer and Maximum Disbursement.....</i>	16
3. <i>Reasons for the Offer.....</i>	16
4. <i>Calendar of the main events regarding the Offer.....</i>	17
<b>A.    POINTS TO BE AWARE OF .....</b>	<b>19</b>
A.1. <i>Conditions for the Offer to be Effective.....</i>	19
A.2. <i>Allocation (riparto).....</i>	20
A.3. <i>Publication of the Issuer's/ Offeror's financial reports .....</i>	21
A.4. <i>Method of funding the Offer .....</i>	21
A.5. <i>Relationship between the Offeror and the Issuer.....</i>	21
A.6. <i>Issuer's future plans .....</i>	22
A.7. <i>Potential conflict of interest between the entities involved in the transaction (i.e., Offeror, entity appointed to collect the tenders, advisors, funding entities).....</i>	22
A.8. <i>Declaration of the Offeror as to whether or not it intends to restore the free float if the threshold of 90% of the Issuer's share capital is exceeded - Mandatory Purchase as per Art. 108, paragraph 2, of the TUF.....</i>	23
A.9. <i>Declaration by the Offeror as to whether or not it will make use of the Right of Purchase set out in Art. 111 of the TUF or the Mandatory Purchase as per Art. 108, paragraph 1, of the TUF .....</i>	23
A.10. <i>Alternatives for the addressees of the Offer .....</i>	23
A.10.1. <i>Acceptance of the Offer.....</i>	23
A.10.2. <i>Non-acceptance of the Offer .....</i>	24
A.11. <i>Applicability of the exemptions under Article 101-bis, paragraph 3, of the TUF .....</i>	25
A.12. <i>Disclosure by the Issuer .....</i>	25
A.13. <i>Effects of the Covid-19 pandemic and the Russia-Ukraine and Gaza-Israel conflicts on the Issuer and the Offer.....</i>	25
<b>B.    ENTITIES TAKING PART IN THE TRANSACTION .....</b>	<b>26</b>
B.1. <i>Offeror and Issuer of the financial instruments eligible for tender under the Offer .....</i>	26
B.1.1. <i>Name, legal form, registered office, date of incorporation, duration, reference legislation and place of jurisdiction .....</i>	26
B.1.2. <i>Subscribed and paid up share capital .....</i>	26
B.1.2.1. <i>Main capital transactions carried out or approved in the last 12 months .....</i>	27
B.1.3. <i>Principal Shareholders.....</i>	29
B.1.4. <i>Brief description of the Group .....</i>	30
B.1.5. <i>Administrative and Control Bodies .....</i>	38

	<i>B.1.5.1. Board of Directors</i> .....	38
	<i>B.1.5.2. Board of Statutory Auditors</i> .....	39
	<i>B.1.5.3. Independent auditors</i> .....	40
	<i>B.1.6. a) Operating Performance and Financial Statements 2023</i> .....	41
	<i>B.2. Intermediaries</i> .....	65
<b>C.</b>	<b>CATEGORY AND NUMBER OF FINANCIAL INSTRUMENTS ELIGIBLE FOR TENDER</b> .....	<b>67</b>
	<i>C.1. Category and number of financial instruments eligible for tender</i> .....	67
	<i>C.2. Convertible financial instruments</i> .....	67
	<i>C.3. Disclosures or application for authorisation required by applicable regulations</i> .....	67
<b>D.</b>	<b>FINANCIAL INSTRUMENTS OF THE ISSUER OR THOSE WITH THE SAID INSTRUMENTS AS UNDERLYING ASSET OWNED BY THE OFFEROR EVEN THROUGH FIDUCIARY COMPANIES OR THIRD PARTIES</b> .....	<b>69</b>
	<i>D.1. Number and category of financial instruments of the Issuer owned by the Offeror, with a specification of the title of ownership and title to voting rights</i> .....	69
	<i>D.2. Indication of the possible existence of repurchase agreements, loans of securities, rights of usufruct or pledges on the financial instruments of the Issuer or other contracts of another kind with the said financial instruments as the underlying asset</i> .....	69
<b>E.</b>	<b>UNIT PRICE FOR THE FINANCIAL INSTRUMENTS AND ITS DETERMINATION</b> .....	<b>70</b>
	<i>E.1. Indication of the Price and the criteria followed in its determination</i> .....	70
	<i>E.1.1. Market price on the day preceding the announcement of the Offer</i> .....	70
	<i>E.1.2. Weighted averages of official prices in the 12 months preceding the announcement of the Offer</i> .....	70
	<i>E.1.3. Implied premiums paid in previous voluntary public tender offers for own shares</i> .....	71
	<i>E.2. Indication of the total value of the Offer</i> .....	72
	<i>E.3. Comparison of price with certain indicators</i> .....	72
	<i>E.4. Monthly weighted average of the prices recorded by the instruments eligible for tender</i> .....	75
	<i>E.5. Indication of the values at which purchase and sale transactions on the financial instruments eligible for tender have been carried out in the last twelve months</i> .....	77
<b>F.</b>	<b>TERMS AND CONDITIONS FOR ACCEPTING THE OFFER, DATE AND METHOD OF PAYMENT OF THE PRICE AND RETURN OF THE SHARES ELIGIBLE FOR TENDER</b> .....	<b>79</b>
	<i>F.1. F.1 Terms and conditions for accepting the Offer and for depositing the Shares</i> .....	79
	<i>F.1.1. Period for Acceptance of the Offer</i> .....	79
	<i>F.1.2. Irrevocability of the tenders and procedures for accepting the Offer</i> .....	79
	<i>F.2. Information on the ownership and exercise of administrative and patrimonial rights pertaining to the financial instruments eligible for Tender pending the Offer</i> .....	81
	<i>F.3. Announcements regarding the progress of the Offer</i> .....	82

F.3.1.	<i>Obligations of the Appointed Intermediaries in relation to the data regarding acceptance of the Offer .....</i>	82
F.3.2.	<i>Information on the results of the Offer.....</i>	82
F.3.3.	<i>Information on the fulfilment of the Conditions for the Offer to be Effective .....</i>	82
F.4.	<i>Market on which the Offer is being launched.....</i>	83
F.5.	<i>Date of Payment of the Price .....</i>	84
F.6.	<i>Method of payment of the Price .....</i>	84
F.7.	<i>Law governing the contracts signed by the Offeror and the owners of the financial instruments of the Issuer and competent jurisdiction.....</i>	85
F.8.	<i>Procedures and terms for returning Shares tendered in the event that the Offer is invalid and/or in the event of an Allocation process.....</i>	85
G.	<b>FUNDING METHOD, GUARANTEES OF EXACT FULFILMENT AND FUTURE PLANS OF THE OFFEROR .....</b>	<b>86</b>
G.1.	<i>Method of funding the Offer and guarantees of the exact fulfilment of the deal.....</i>	86
G.2.	<i>Reasons for the transaction and future plans formulated by the Offeror .....</i>	86
G.2.1.	<i>Reasons for the Offer .....</i>	86
G.2.2.	<i>Future plans formulated by the Offeror for the Issuer and its Group .....</i>	87
G.3.	<i>Reconstitution of the free float .....</i>	88
H.	<b>AGREEMENTS AND TRANSACTIONS BETWEEN THE OFFEROR AND THE ISSUER OR SIGNIFICANT SHAREHOLDERS OR MEMBERS OF THE ADMINISTRATIVE AND CONTROL BODIES OF THE ISSUER.....</b>	<b>89</b>
H.1.	<i>Indication of agreements and financial and/or commercial transactions that have been approved and/or implemented in the twelve months prior to the publication of the Offer, between the above persons or entities, which could have or have had significant effects on the Issuer's business .....</i>	89
H.2.	<i>Indication of agreements between the above persons or entities concerning the exercise of voting rights or the transfer of shares and/or other financial instruments of the Issuer .....</i>	89
I.	<b>FEES FOR THE INTERMEDIARIES.....</b>	<b>90</b>
L.	<b>IN THE EVENT OF ALLOCATION (RIPARTO) .....</b>	<b>91</b>
M.	<b>APPENDICES.....</b>	<b>93</b>
	<i>Shareholders' agreement concerning shares of Fratelli De Benedetti S.p.A. and CIR S.p.A. – Compagnie Industriali Riunite. Essential information pursuant to Article 130 of Consob Regulation No. 11971/1999.....</i>	93
1.	<i>Type of agreement.....</i>	94
2.	<i>Companies whose financial instruments are the subject of the Shareholders' Agreement ...</i>	94
3.	<i>Parties to the Shareholders' Agreement and financial instruments held by them.....</i>	95
4.	<i>Content of the Shareholders' Agreement.....</i>	97
5.	<i>Duration of the Shareholders' Agreement .....</i>	102
6.	<i>Entity exercising control pursuant to Article 93 of the TUF.....</i>	102

7.	<i>Filing of the Shareholders' Agreement at the Register of Companies .....</i>	<i>103</i>
8.	<i>Website where the essential information on the Shareholders' Agreement is published....</i>	<i>103</i>
N.	<b>DOCUMENTS MADE AVAILABLE TO THE PUBLIC, EVEN BY REFERENCE, AND PLACES OR SITES WHERE THESE DOCUMENTS ARE AVAILABLE FOR CONSULTATION .....</b>	<b>104</b>
	<b>DECLARATION OF RESPONSIBILITY .....</b>	<b>105</b>

## DEFINITIONS

Below is a list of the main terms used in the Offer Document. These terms and phrases, unless otherwise specified, have the meanings set out below. Where the context so requires, terms defined in the singular retain the same meaning in the plural and vice versa.

<b>Acceptance Period</b>	The acceptance period for the Offer, agreed upon with Borsa Italiana, corresponding to fifteen Stock Exchange Trading Days, which will start at 8:30 a.m. (Italian time) on November 25 2024 and end at 5:30 p.m. (Italian time) on December 13 2024, inclusive, unless extended.
<b>Allocation Coefficient</b>	<p>The ratio between the maximum number of Shares Eligible for Tender and the total number of Shares tendered in acceptance of the Offer for a total number of Shares higher than the maximum number of Shares Eligible for Tender.</p> <p>If all the Shares, excluding the 32,022,506 Own Shares held by CIR as of the Date of the Offer Document and the 378,236,345 Shares that FDB has excluded from the Offer, representing 36.119% of the Ordinary Capital and 24.121% of Total Voting Rights were tendered in acceptance of the Offer, the Allocation Coefficient would be 20.590% (which constitutes the Minimum Allocation Coefficient).</p>
<b>Allocation of Shares or Allocation</b>	If the tenders in acceptance of the Offer are for a total number of Shares exceeding the maximum number of Shares Eligible for Tender, the Offeror will purchase from all of the Shareholders, according to the pro-rata method, the same proportion (equal to the Allocation Coefficient) of Shares as those tendered by them (for further information on the Allocation, see Section A, Paragraph A.2, and Section L, of the Offer Document).
<b>Announcement Date</b>	The date on which the Offer was announced to the public through Disclosure 102, i.e., October 11 2024.
<b>Appointed Intermediaries</b>	The intermediaries appointed to collect the Tender Forms as per Section B, Paragraph B.2, of the Offer Document.
<b>Board of Directors</b>	The Board of Directors of CIR.
<b>Board of Statutory Auditors</b>	The Board of Statutory Auditors of CIR.

<b>Borsa Italiana</b>	Borsa Italiana S.p.A., with headquarters at Piazza degli Affari 6, Milan.
<b>Conditions for the Offer to be Effective</b>	The Conditions for the Offer to be Effective, as described in Section A, Paragraph A.1, of the Offer Document.
<b>Consob</b>	The National Commission for Companies and the Stock Exchange ( <i>Commissione Nazionale per le Società e la Borsa</i> ) with headquarters at Via G.B. Martini 3, Rome.
<b>Date of the Offer Document</b>	The date on which the Offer Document is published.
<b>Depository Intermediaries</b>	The intermediaries who can collect and send on the Tender Forms to the Appointed Intermediaries, in accordance with Section B, Paragraph B.2, and Section F, Paragraph F.1.2 of the Offer Document.
<b>Disclosure 102</b>	The disclosure by the Offeror as per the terms of Art. 102, paragraph 1, of the TUF and Art. 37 of the Rules for Issuers, issued on October 11 2024.
<b>Euronext Milan</b>	The Euronext Milan Market, organised and managed by Borsa Italiana S.p.A.
<b>FDB</b>	Fratelli De Benedetti S.p.A., with registered office at Via Valeggio 41, Turin, controlling shareholder of CIR. FDB has declared its intention to accept the Offer for 20,000,000 Shares - representing a 1.910% Percentage of the Ordinary Capital - of which 11,384,809 Shares without increased voting rights and 8,615,191 Shares with Increased Voting Rights in its possession.
<b>Group or CIR Group</b>	Collectively, CIR and the companies within its scope of consolidation on their respective reference dates.
<b>IAS/IFRS</b>	All of the International Financial Reporting Standards (IFRS), the International Accounting Standards (IAS) and all of the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) previously known as the Standing Interpretations Committee (SIC).



<b>Intermediary Appointed to Coordinate the Collection of the Tenders</b>	Società per Amministrazioni Fiduciarie "SPAFID" S.p.A., with registered office at Via Filodrammatici 10, 20121 Milan.
<b>Mandatory Purchase as per the terms of Art. 108, paragraph 1, of the TUF</b>	<p>The obligation of an offeror to purchase from anyone who makes a request, the remaining shares of an issuer not tendered in acceptance of a total tender issue, as per the terms of Article 108, paragraph 1, of the TUF, if the said offeror achieves total ownership, as an effect of the tenders received in acceptance of the said total public tender offer (and/or following execution of the Mandatory Purchase as per the terms of Article 108, paragraph 2, of the TUF) of at least 95% of the share capital of the issuer.</p> <p>Given the nature of the Offer, the conditions do not exist for the Mandatory Purchase as per the terms of 108, paragraph 1, of the TUF to be applicable. For further information, see Section A, Paragraph A.9 of the Offer Document.</p>
<b>Mandatory Purchase as per the terms of Art. 108, paragraph 2, of the TUF</b>	<p>The obligation of an offeror to purchase from anyone who makes a request, the remaining shares of an issuer not tendered in acceptance of a total tender issue, as per the terms of Article 108, paragraph 2, of the TUF, if the said offeror achieves total ownership, as an effect of the tenders received in acceptance of the said total public tender offer, of more than 90%, but less than 95% of the share capital of the issuer.</p> <p>Given the nature of the Offer, the conditions do not exist for the Mandatory Purchase as per the terms of 108, paragraph 2, of the TUF to be applicable. For further information, see Section A, Paragraph A.8 of the Offer Document.</p>
<b>MAR</b>	Regulation (EU) no. 596/2014 of the European Parliament and the Council of April 16 2014 on market abuse (market abuse directive), as subsequently amended and supplemented.
<b>Maximum Disbursement</b>	The total maximum amount of the Offer, equal to Euro 80,000,000.01, if the number of shares tendered enable to Offeror to acquire the maximum number of 131,147,541 Shares Eligible for Tender.

<b>Mediobanca</b>	Mediobanca - Banca di Credito Finanziario S.p.A., with registered office at Piazzetta Enrico Cuccia 1, Milan. In the context of the Offer, Mediobanca also acts as guarantor bank pursuant to Article 37-bis of the Rules for Issuers, as better specified in Paragraphs A.7. and G.1. of this Offer Document.
<b>Monte Titoli</b>	Monte Titoli S.p.A., with registered office at Piazza degli Affari 6, Milan.
<b>Net Financial Position</b>	The difference between (i) the sum of cash and cash equivalents and current financial assets and (ii) financial liabilities.
<b>Offer</b>	The voluntary partial public tender offer to purchase the Shares Eligible for Tender launched by CIR as per the terms of Art. 102, paragraph 1, of the TUF and the rules for implementation contained in the Rules for Issuers, as described in the Offer Document.
<b>Offer Document</b>	This document containing the tender offer.
<b>Offeror or Issuer or CIR or Company</b>	CIR S.p.A., with registered office at Via Ciovassino 1, Milan.
<b>Own Shares</b>	The Issuer's 32,022,506 own shares as of the Offer Document Date, representing a 3.058% Percentage of the Ordinary Capital.
<b>Payment Date</b>	The fifth Stock Exchange Trading Day following the end of the Acceptance Period, which corresponds to the date on which the Price will be paid to the Tenderers, i.e. December 20 2024 (unless the Acceptance Period is extended).
<b>Percentage of the Ordinary Capital</b>	The ratio existing, as of the Date of the Offer Document, between: (i) the number of Shares held by a particular Shareholder and (ii) the total number of 1,047,207,314 Shares of the Issuer (including the Own Shares).
<b>Percentage of the Total Voting Rights</b>	The ratio existing, as of the Date of the Offer Document, between: (i) the voting rights accruing to a particular Shareholder, pertaining to the Shares held by that Shareholder, and (ii) the voting rights accruing to the total number of Shares of the Issuer, <b>including</b> the Own Shares held by the Issuer.
<b>Press Release on the Definitive Results</b>	The press release on the definitive results of the Offer, issued pursuant to Article 41 paragraph 6 of the Rules for Issuers.

<b>Press Release on the Provisional Results</b>	The press release on the provisional results of the Offer, issued pursuant to Article 36 of the Rules.
<b>Price</b>	The unit price of Euro 0.61 for each Share tendered in acceptance of the Offer.
<b>Right of Purchase</b>	<p>The right of an offeror to purchase the remaining shares of an issuer as per the terms of Art. 111 of the TUF, in the event of the said offeror reaching, after a given total tender offer, a total shareholding interest of at least 95% of the share capital of the same issuer.</p> <p>Given the nature of the Offer, the conditions do not exist for application of the Right of Purchase. For further information, see Section A, Paragraph A.9 of the Offer Document.</p>
<b>Rules for Issuers</b>	The Consob regulations approved with resolution no. 11971 of May 14 1999, as subsequently amended and supplemented.
<b>SDIR-NIS</b>	The SDIR–NIS circuit managed by Teleborsa S.r.l., which CIR uses for broadcasting Regulated Disclosures as defined by Art. 113-ter of the TUF.
<b>Shareholders</b>	The holders of the Shares to whom the Offer is addressed with equal conditions.
<b>Shares</b>	<p>The 1,047,207,314 CIR ordinary shares, with no indication of par value, listed on Euronext Milan.</p> <p>As of the Date of the Offer Document, (i) the code XXITV0000172 identifies the Shares pending registration in the CIR stable shareholders book, (ii) the code XXITV0000180 identifies the Shares registered in the CIR stable shareholders book pending increased voting rights, (iii) the ISIN code IT0005241762 identifies the Shares with Increased Voting Rights and (iv) the ISIN code IT0000070786 identifies the remaining Shares.</p>
<b>Shares Eligible for Tender</b>	<p>The maximum number of 131,147,541 Shares eligible for Tender, representing, as of the Date of the Offer Document, 12.524% of the share capital of CIR.</p> <p>The Shares Eligible for Tender, and which can therefore all be tendered, are all the Shares (identification codes: ISIN IT0000070786, XXITV0000172, XXITV0000180 and ISIN IT0005241762), excluding the 32,022,506 Own</p>

Shares held by CIR as of the Date of the Offer Document, corresponding to a 3.058% Percentage of the Ordinary Capital.

<b>Shares with Enhanced Increased Voting Rights</b>	The Shares that will accrue an additional voting right (up to a maximum of 10 votes) upon the expiry of each 12-month period commencing from the acquisition of the right to two votes of the Shares with Increased Voting Rights, i.e., commencing from September 16 2024 for the Shares that had already matured the right to two votes on that date.
<b>Shares with Increased Voting Rights</b>	The Shares that have accrued the right to two votes per share, in accordance with the terms of Art. 8 of the CIR Company Bylaws in force on the Date of the Offer Document, with ISIN code IT0005241762.
<b>Stock Exchange Trading Day</b>	Any day on which the Euronext Milan Market is operational according to the trading calendar established every year by Borsa Italiana.
<b>Tender Form</b>	The form that must be used to tender shares in acceptance of the Offer.
<b>Tenderers</b>	The Shareholders of the Issuer who have tendered their Shares in acceptance of the Offer.
<b>TUF</b>	Legislative Decree no. 58 of February 24 1998, as subsequently amended and supplemented.

## FOREWORD

This 'Foreword' provides a brief description of the structure of the transaction that is the subject of this offer document (the “**Offer Document**”).

In order to fully evaluate the terms and conditions of the transaction and to make a reasoned decision on whether or not to accept the Offer (as defined below), the following Section A (“Instructions”) should be read carefully, as indeed should the whole Offer Document.

### 1. Characteristics of the Offer

The transaction described in this Offer Document is a voluntary partial public tender offer (the “**Offer**”), launched by CIR S.p.A. (hereinafter also the “**Offeror**” or the “**Issuer**” or “**CIR**” or the “**Company**”) pursuant to and for the purposes of Article 102 et seq. of Legislative Decree no. 58 of February 24 1998, as amended and integrated (the “**TUF**”), and Article 37 of Consob Rules approved by resolution no. 11971 of May 14 1999, as amended and integrated (the “**Rules for Issuers**”), on a maximum of no. 131,147,541 Shares of the Issuer, without nominal value and fully paid-up (the “**Shares Eligible for Tender**”) representing, as of the Date of the Offer Document, 12.524% of the share capital of CIR, a company with Shares listed on the Euronext Milan Market (“**Euronext Milan**”) organised and managed by Borsa Italiana S.p.A. (“**Borsa Italiana**”).

If it purchases the maximum number of Shares Eligible for Tender and taking into account the Own Shares already in the portfolio of the Issuer as of the Date of the Offer Document, the Company will own 163,170,047 Own Shares, equal to 15.581% of the Issuer's share capital, and therefore a number of Shares comprising less than one fifth of the share capital.

It should be noted that, as of the Date of the Offer Document, the controlling shareholder F.lli De Benedetti S.p.A. (“**FDB**”), which owns 398,236,345 Shares, corresponding to a Percentage of the Ordinary Capital of 38.028%, and a Percentage of the Total Voting Rights of 50.066%, stated its intention to accept the Offer for 20,000,000.00 Shares representing a Percentage of the Ordinary Capital of 1.910%.

The Offer is not aimed at, nor will it lead to, a delisting of the shares of the Issuer from Euronext Milan. Given the nature of the Offer, as a voluntary partial public tender offer on the Offeror's Own Shares, and since it will not in any case lead to the Offeror holding a total shareholding of over 90% of the share capital of the Issuer, the conditions do not exist for the right of purchase as per the terms of Article 111 of the TUF (the “**Right of Purchase**”), or for the mandatory purchase as per the terms of Article 108, paragraph 1 of the TUF (the “**Mandatory Purchase as per the terms of Art. 108, paragraph 1, of the TUF**”), or for the mandatory purchase as per the terms of Art. 108, paragraph 2 of the TUF (the “**Mandatory Purchase as per the terms of Art. 108, paragraph 2, of the TUF**”).

It should also be noted that the Shares purchased by CIR under the Offer will be cancelled.

In the event that the tenders in acceptance of the Offer are for a total number of Shares exceeding the maximum number of Shares Eligible for Tender, an Allocation process will be carried out using the pro-rata method, on the basis of which the Offeror will purchase from all the Shareholders the same proportion (equal to the Allocation Coefficient) of Shares as those tendered by them (for further information on the Allocation, see Section A, Paragraph A.2, and Section L, of the Offer Document).

It should be noted that the validity of the Offer is dependent on the conditions for the Offer to be effective (the “**Conditions for the Offer to be Effective**”) being fulfilled, in accordance with Section A, Paragraph A.1, of the Offer Document. Please note that the Offer is not conditional on reaching a minimum number of acceptances.

The title of the Shares Eligible for Tender will be transferred, against payment of the Price, on the fifth Stock Exchange Trading Day after the closing date of the Acceptance Period, i.e., on December 20 2024 (the “**Payment Date**”), unless the Acceptance Period is extended, provided that the Conditions for the Offer to be Effective have been met or, if they have not been met, have been expressly waived.

For further information on the financial instruments covered by the Offer, see Section C below of the Offer Document.

On April 29 2024, the Ordinary General Meeting of CIR resolved, among other things:

- 1.1. to revoke, for the unused portion, the resolution authorising the purchase of a maximum of 220,000,000 Own Shares passed by the Ordinary General Meeting of April 28 2023;
- 1.2. to give the Board of Directors an authorisation to buy back a maximum of 208,000,000 Own Shares - including the Own Shares already held directly or through subsidiaries - valid for a period of 18 months, specifying that the Board may buy back up to a maximum of 20% of the total number of Shares making up the share capital of CIR;
- 1.3. to establish that the unit price of the Own Shares to be bought back must not be more than 15% higher or lower than the benchmark price recorded by the Shares on the Stock Exchange Trading Day prior to the date of each individual buyback deal or (in the event of a purchase through a public tender offer) on the Stock Exchange Trading Day preceding the date on which the offer price is fixed. In any case, if the purchases are made through orders placed in the regulated market the price must not be higher than the higher of the price of the last independent deal and the highest current independent bid price in the same market, in accordance with the provisions of Commission Delegated Regulation (EU) no. 2016/1052.

On the same date, the Ordinary General Meeting of CIR approved the Financial Statements for the year 2023, which report distributable reserves for an amount of Euro 209.7 million against a total Maximum Disbursement for the Offer of Euro 80 million.

Furthermore, on the same date, the Issuer’s General Meeting, in an extraordinary session, voted,

among other things, i) to cancel 60,000,000 Shares held by the Company, without reducing its share capital (with a consequent amendment to Art. 4 of the Company Bylaws in the part stating the number of Shares into which the share capital is divided) and ii) to grant the Board of Directors the power to cancel the CIR Own Shares that may have been acquired under the authorisation given by the Ordinary General Meeting, without reducing the share capital, up to a maximum of 208,000,000 Shares, except for those Own Shares which, together with the Own Shares already in the Company's portfolio, are necessary to cover the commitments arising from time to time from the stock grant plan (with the consequent inclusion of a second paragraph in Article 4 of the Bylaws providing for this).

On September 6 2024, the Issuer's Extraordinary General Meeting passed a resolution concerning the adoption of enhanced increased voting rights, by introducing a new paragraph *6-bis* of art. 8 to the Company's Bylaws, providing that each share belonging, on the strength of a real right giving entitlement, to the same person registered in the special list in the Stable Shareholders Book will be attributed an additional vote at the end of each 12-month period commencing from the acquisition of the double vote referred to the same art. 8 comma 6 in the preceding paragraph, up to a total maximum of ten votes for each Share with Enhanced Increased Voting Rights. In accordance with Article 127-*quinquies*, paragraph 2, last sentence, of the TUF, for those who, on the date the resolution of the Extraordinary General Meeting approving this paragraph *6-bis* passed on September 6 2024 was registered at the competent Register of Companies, are entered in the Stable Shareholders Book and have already accrued the benefit of the double vote, the further accrual period shall commence from that date.

In the light of the adoption of this resolution, a number of CIR shareholders legitimately exercised their right of withdrawal as per Article 2437 of the Civil Code for a total of 187,872 Shares, equal to 0.018% of the share capital, for a total liquidation value of Euro 102,465.39. On October 9 2024, the Company filed at the competent Register of Companies the notice of option and pre-emption offer on the redeemed Shares as per Article 2437-*quater*, paragraphs 1, 2 and 3 of the Civil Code, providing for an acceptance period running from the date of the relevant filing with the Register of Companies for 30 (thirty) days (i.e., until November 8 2024). At the end of the acceptance period for the option and pre-emption offer, there were no redeemed shares for which the option had not been exercised.

On October 11 2024, the Board of Directors resolved, with the unanimous vote of those present and in accordance with the general meeting resolution of April 29 2024, to proceed with the Offer and on the same date (the "**Announcement Date**") the Offer was disclosed to the public and to Consob in a press release published in accordance with the terms of Article 102 of the TUF and Article 37 of the Rules for Issuers (the "**Disclosure 102**").

The Acceptance Period for the Offer, agreed with Borsa Italiana as per the terms of Article 40, paragraph 2, of the Rules for Issuers, will start at 8:30 a.m. on November 25 2024 and end at 5:30 p.m. on December 13 2024, inclusive (the "**Acceptance Period**"), unless the Acceptance Period is extended.

For a description of the terms and procedure for acceptance of the Offer, see Section F below of the Offer Document.

## 2. Price of the Offer and Maximum Disbursement

The Offeror will pay each Tenderer who has accepted the Offer a cash price of Euro 0.61 for each Share tendered and purchased by the Offeror (the “**Price**”).

The Price will be paid on the Payment Date, i.e., on December 20 2024 (unless the Acceptance Period is extended).

The Price includes a premium of 6.9% over the official price of the Shares recorded on October 11 2024 (i.e., the same Stock Exchange Trading Day as the Announcement Date), as well as a premium of 7.2%, 4.5%, 5.8%, 16.6% over the weighted average of the official prices of the Issuer's Shares in the 1-month, 3-month, 6-month and 12-month periods respectively prior to October 11 2024, as further explained in the table below.

<i>Period of time prior to the Announcement Date</i>	<i>Weighted average prices (Euro)</i>	<i>Implied premium factored into the Price (%)</i>
October 11 2024	0.570	6.9%
Average 1 month prices	0.569	7.2%
Average 3 month prices	0.584	4.5%
Average 6 month prices	0.576	5.8%
Average 12 month prices	0.523	16.6%

*Source: calculations on Factset data*

The total maximum value of the Offer, if the tenders under the Offer enable the Offeror to acquire the maximum number of 131,147,541 Shares Eligible for Tender, is Euro 80,000,000.01 (the “**Maximum Disbursement**”).

For further information on the Price, see Section E of this Offer Document.

## 3. Reasons for the Offer

The Offer was drawn up taking the following circumstances into account:

- (i) for years the Company, directly and through its subsidiaries CIR Investimenti S.p.A. and CIR International S.A., has had a substantial amount of liquidity and readily marketable financial assets at its disposal;
- (ii) on June 25 2024, the Company sold a real estate complex located in Milan (Via dell'Orso 8/ Via Ciovassino 1/A) for an amount of Euro 38,000,000.00, of which Euro 31,000,000.00 was collected on the same date and Euro 7,000,000 in previous years by way of deposit;



- (iii) on July 25 2024, the Company received an extraordinary dividend of Euro 61,685,001.92 from its subsidiary Sogefi S.p.A. following the sale by Sogefi S.p.A. of its Filtration business;
- (iv) on the one hand, these transactions further increased its liquidity, while on the other, they reduced the sectors in which the Company operates and consequently its potential investment needs and/or opportunities;
- (v) as of the Date of the Offer Document, the Company has liquidity in excess of its short and medium-term investment programmes, also taking into account the fact that, based on their business plans, the subsidiaries of the CIR Group expect to be able to self-finance their own development;
- (vi) as of December 31 2023 the Company had a significant amount of distributable reserves, largely sufficient to purchase the Shares Eligible for Tender, and these reserves were not affected by post-closing events, taking into account the operating results and the dividends received between January 1 2024 and the Date of the Offer Document.

The Offer would enable those Shareholders wishing to accept it to benefit – all at the same conditions – from the temporary possibility of selling all or part of their investment at a certain price, which would include a premium over the price at the Announcement Date and over the average price of the share in the last few months.

For those Shareholders who might not wish to tender their Shares, the buyback of Own Shares by the Company following acceptance of the Offer and their subsequent cancellation would result in (i) an increase in the NAV (Net Asset Value) per Share, which is one of the main valuation criteria of a holding company, as well as, (ii) for the same total company profits, an increase in the earnings per Share and in the dividend per Share.

For further information on the reasons for the transaction, see Section G, Paragraph G.2.1, of this Offer Document.

#### **4. Calendar of the main events regarding the Offer**

The following table shows in a concise form and in chronological order, the significant dates of the Offer starting from the Announcement Date, i.e., October 11 2024:

<i>Date</i>	<i>Event</i>	<i>Method of disclosure</i>
October 11 2024	Announcement by the Offeror of its decision to launch the Offer and the guidelines of the same	Press release by the Offeror as per Art. 102, paragraph 1, of the TUF and Art. 37 of the Rules for Issuers
October 29 2024	Submission of the Offer Document to Consob as per Art. 102, paragraph 3, of the TUF	Press release by the Offeror as per Art. 102, paragraph 3, of the TUF and Art. 36 and 37-ter of the Rules for Issuers
November 20 2024	Approval of the Offer Document by Consob as per Art. 102, paragraph 4, of the TUF	Press release by the Offeror as per Art. 36 of the Rules for Issuers
November 22 2024	Publication of the Offer Document	Press release by the Offeror as per the terms of Art. 38, paragraph 2, of the Rules for Issuers Distribution of the Offer Document as per Art. 36, paragraph 3, and Art. 38, paragraph 2, of the Rules for Issuers.
November 25 2024	Start of the Acceptance Period of the Offer	Not applicable
December 13 2024	End of the Acceptance Period of the Offer (unless extended)	Not applicable
By the end of the evening of the last day of the Acceptance Period and in any case by 7:29 a.m. on December 16 2024 (first Stock Exchange Trading Day after the end of the Acceptance Period of the Offer), unless the Acceptance Period is extended.	Press Release on the Provisional Results of the Offer, indicating, where applicable, the provisional Allocation Coefficient.	Press release by the Offeror as per Art. 36 of the Rules for Issuers
By 7:29 a.m. on December 17 2024 (second Stock Exchange Trading Day after the end of the Acceptance Period), unless the Acceptance Period is extended.	Press release informing that the Conditions for the Offer to be Effective have been fulfilled, or not fulfilled or of a decision to waive the same	Press release by the Offeror as per Art. 41, paragraph 6, of the Rules for Issuers
By 7:29 a.m. on December 19 2024 (Stock Exchange Trading Day before the Payment Date), unless the Acceptance Period is extended.	Press Release on the Definitive Results of the Offer, indicating, where applicable, the definitive Allocation Coefficient.	Press release by the Offeror as per Art. 41, paragraph 6, of the Rules for Issuers
By the end of the first Stock Exchange Trading Day after the press release in the preceding point or any press release announcing for the first time that the Conditions for the Offer to be Effective have not been fulfilled without a waiver of the same	Return of the Shares tendered in excess following allocation (riparto). The shares tendered become available again if the Conditions for the Offer to be Effective have not been fulfilled and there has been no waiver of the same by the Offeror	Not applicable
The fifth Stock Exchange Trading Day after the end of the Acceptance Period, i.e., December 20 2024 (unless the Acceptance Period is extended)	Payment of the Price for the Shares tendered in acceptance of the Offer during the Acceptance Period	Not applicable

\*.\*.\*

It should be noted that, as per the terms of Article 36, paragraph 3, of the Rules for Issuers, press releases, notices and documents relating to the Offer will be published without delay on the Issuer's website [www.cirgroup.it](http://www.cirgroup.it) in the "Governance/ Voluntary partial public tender offer for CIR own shares" section.

## **A. POINTS TO BE AWARE OF**

### **A.1. Conditions for the Offer to be Effective**

For the Offer to be effective the following conditions must be met:

- (A) That by the close of the Stock Exchange Trading Day after the end of the Acceptance Period none of the following has occurred (i) exceptional events or situations at national and/or international level involving serious changes to the political, financial, economic, foreign exchange or market situation that had not already taken place as of the Date of the Offer Document and which have substantially prejudicial effects on the Offer, on the conditions of the businesses and/or on the patrimonial, economic and/or financial conditions of CIR and/or of the companies belonging to the CIR Group, or (ii) actions, facts, circumstances, events or situations that had not taken place as of the date of publication of the Offer Document and such as to cause significant prejudice to the Offer, the conditions of the businesses and/or the patrimonial, economic or financial conditions of CIR and/or the CIR Group as stated in the Interim Financial Report as of June 30 2024, published on August 2 2024 ( the “**MAC Condition**”); and/or
- (B) That by the close of the Stock Exchange Trading Day after the end of the Acceptance Period, no legislative or administrative acts or measures (including mandatory tender offers as per Art. 106 et seq. of the TUF) or judicial measures have been adopted and/or published by the competent institutions, entities or authorities, such as to preclude, limit or render more onerous, in full or in part, or even temporarily, the possibility for CIR and/or the CIR Group to complete the Offer;

((A) and (B), together, the “**Conditions for the Offer to be Effective**”).

The MAC Condition also specifically includes any of the events or situations listed in points (i) and (ii) above that could occur as a result of, or in connection with, the Russia-Ukraine political-military crisis, the Arab-Israeli conflict in the Middle East and the Red Sea crisis or other international tensions (including China-USA political-military tensions) which, although they represent events in the public domain as of the Date of the Offer Document, could give rise to adverse effects, in the terms set out above, that are new, unforeseen and unforeseeable.

The Offeror may waive or change all or part of the terms of the Conditions for the Offer to be Effective at any time and at its sole discretion within the limits and according to the procedures set out in Article 43 of the Rules for Issuers.

The Offeror will announce whether or not the Conditions for the Offer to be Effective have been fulfilled and any decision to waive the same by 7:29 a.m. on the second Stock Exchange Trading Day after the end of the Acceptance Period, in a press release as per the terms of Art. 36, paragraph 3, of the Rules for Issuers, and also in the press release announcing the definitive results of the Offer referred

to in Section F, Paragraph F.3.3 below of this Offer Document.

In the event of the non-fulfilment of any of the Conditions for the Offer to be Effective and of the non-exercise by the Offeror of the right to waive the same, the Offer will be rendered invalid and the Shares tendered in acceptance of the Offer will be returned to the full availability of their respective owners, without the latter being liable for any costs or expenses, by the end of the first Stock Exchange Trading Day after the first announcement in which the Offer is declared to be invalid.

It should be noted that the mere acceptance of the Offer does not in itself lead to the loss of increased voting rights or of the conditions for achieving increased voting rights, or enhanced increased voting rights. Therefore, when the Shares are returned in the event of the Offer being invalid for any reason, Tenderers will have the right to have their Shares returned with the same rights (such as, for example, increased voting rights as per the terms of Article 127-quinquies of the TUF, or the right to obtain increased voting rights, or enhanced increased voting rights, or the right to be registered in CIR's stable shareholders book) as they would have had if they had not accepted the Offer.

For further information on the Conditions for the Offer to be Effective, see Section F, Paragraph F.3.3, of the Offer Document.

## **A.2. Allocation (riparto)**

If at the end of the Acceptance Period the total number of Shares tendered in acceptance of the Offer is lower than or equal to the maximum number of Shares Eligible for Tender (and the Conditions for the Offer to be Effective have been fulfilled or waived), the Offeror will go ahead and accept all the Shares tendered.

However, if at the end of the Acceptance Period the total number of Shares tendered in acceptance of the Offer is higher than the maximum number of Shares Eligible for Tender (and the Conditions for the Offer to be Effective have been fulfilled or waived), as this is a voluntary partial tender offer, there will be a pro-rata allocation, on the basis of which the Offeror will purchase from all the Shareholders the same proportion (equal to the Allocation Coefficient) of Shares as those tendered in acceptance of the Offer.

By the evening of the last day of the Acceptance Period, and in any case no later than 7:29 a.m. of the first Stock Exchange Trading Day after the end of the Acceptance Period, unless extended, the Offeror will issue the Press Release on the Provisional Results of the Offer, indicating the provisional Allocation Coefficient, if any. The definitive Allocation Coefficient, where applicable, will be determined by 7:29 a.m. on the Stock Exchange Trading Day prior to the Payment Date and will be disclosed in the Press Release on the Definitive Results of the Offer.

The Offeror will collect from each Tenderer a number of Shares resulting from the multiplication of (a) the number of Shares tendered in acceptance of the Offer by (b) the Allocation Coefficient, rounded down to the nearest full number of Shares.

If the Shares tendered in acceptance of the Offer by a single Shareholder have different identification codes, the Offeror will collect the Shares from each Tenderer according to the mechanisms described in Section L of the Offer Document, which gives further information on this point.

Any surplus Shares remaining after the Allocation will be given back to the Tenderers through the Depositary Intermediaries by the end of the first Stock Exchange Trading Day after the press release on the definitive results of the Offer in which the definitive Allocation Coefficient will also be disclosed. In this case Tenderers will have the right to have their Shares returned with the same rights (such as, for example, increased voting rights as per the terms of Article 127-quinquies of the TUF, or the right to obtain increased voting rights, or enhanced increased voting rights, or the right to be registered in CIR's stable shareholders book) as they would have had if they had not accepted the Offer.

It should be noted that in the event of an Allocation it will not be possible to cancel acceptance of the Offer.

For further information on the matter, see Section L of the Offer Document.

If all the Shares, excluding the 32,022,506 Own Shares held by CIR as of the Date of the Offer Document and the 378,236.345 Shares that FDB has excluded from the Offer, were tendered in acceptance of the Offer, the Allocation Coefficient would be 20.590% (which constitutes the Minimum Allocation Coefficient).

### **A.3. Publication of the Issuer's/Offeror's financial reports**

On April 29 2024, CIR's General Meeting approved CIR's statutory financial statements for the year ended December 31 2023, which were made available to the public on April 5 2024 in the "Investors/Financial Reports" section of CIR's website ([www.cirgroup.it](http://www.cirgroup.it)) and at the authorised "eMarket Storage" mechanism.

On August 2 2024, CIR published its interim financial report as of June 30 2024, which was made available to the public in the 'Investors/Financial Reports' section of CIR's website ([www.cirgroup.it](http://www.cirgroup.it)) and at the authorised 'eMarket Storage' mechanism.

For further information on the matter, see Section G, Paragraph B.1.6. of the Offer Document.

### **A.4. Method of funding the Offer**

The Offeror intends to cover the Maximum Disbursement of the Offer, equal to a maximum of Euro 80,000,000.01, using part of its cash holdings.

For further information on the matter, see Section G, Paragraph G.1. of the Offer Document.

### **A.5. Relationship between the Offeror and the Issuer**

Given that the Offeror and the Issuer are the same entity, the relevant shareholders and members of the Board of Directors and the Board of Statutory Auditors of the Offeror are the same as the relevant

shareholders and members of the Board of Directors and the Board of Statutory Auditors of the Issuer and therefore are inevitably related parties.

Information on the Offeror's and Issuer's related parties can be found on page 171 of the notes to the consolidated financial statements for the year 2023, on available to the public at the Company's headquarters and on the Issuer's website [www.cirgroup.it](http://www.cirgroup.it) in the "Investors/Financial Reports" section.

In 2024, up to the Date of the Offer Document, two non-material related party transactions were concluded, pursuant to the "Rules on Related Party Transactions" approved by the Board of Directors of CIR on June 28 2021 and in force since July 1 2021. For these transactions, there are no disclosure requirements prescribed by current legislation, nor by the aforementioned 'Rules on Related Party Transactions'.

#### **A.6. Issuer's future plans**

CIR is an Investment Holding Company and intends to continue to pursue its investment activity and to manage its equity investments.

More specifically, the Offeror aims to support the growth and strategic development of the investments already in its portfolio in the automotive and healthcare sectors, evaluating new opportunities for investment in these sectors. In addition to this, the Offeror also plans to continue to actively manage its portfolio of financial investments.

Its main objective is still to maintain a good quality and balanced portfolio which will enable gradual growth in value, diversification of risk and an adequate return on capital invested.

As of the Date of the Offer Document, the Offeror has not taken any decision as to possible new extraordinary transactions.

For further information on the matter, see Section G, Paragraph G.2.2. of the Offer Document.

#### **A.7. Potential conflict of interest between the entities involved in the transaction (i.e., Offeror, entity appointed to collect the tenders, advisors, funding entities)**

Mediobanca Banca di Credito Finanziario S.p.A. ("**Mediobanca**"), parent company of the Mediobanca Group, in the context of the Offer, acts as financial advisor to the Offeror and acts as the bank guarantor ensuring the exact fulfilment of the Offeror's obligations with regard to the payment of the Price.

Spafid S.p.A., a company belonging to the Mediobanca Group, acts as the Intermediary Appointed to Coordinate the Collection of the Tenders.

Mediobanca and Spafid will be paid commissions and fees for their roles within the context of the Offer.

In addition to the above, it should be noted that Mediobanca and/or other Mediobanca Group companies:

- have an outstanding loan in favour of Sogefi S.p.A., a company of the CIR Group;
- in the normal course of their business, have provided or in the future could provide, on an ongoing basis, lending, investment banking and/or corporate finance services to the Offeror, its shareholders and/or companies of the CIR Group.

**A.8. Declaration of the Offeror as to whether or not it intends to restore the free float if the threshold of 90% of the Issuer's share capital is exceeded - Mandatory Purchase as per Art. 108, paragraph 2, of the TUF**

The Offer is a voluntary partial tender offer launched in accordance with the terms of Articles 102 et seq. of the TUF and is not aimed at, nor can it lead to the Offeror exceeding the threshold of 90% of the capital of the Issuer or the delisting of the Shares from Euronext Milan.

Therefore, given the nature of the Offer, there is no basis for a Mandatory Purchase as per Art. 108, paragraph 2, of the TUF.

**A.9. Declaration by the Offeror as to whether or not it will make use of the Right of Purchase set out in Art. 111 of the TUF or the Mandatory Purchase as per Art. 108, paragraph 1, of the TUF**

The Offer is a voluntary partial tender offer launched in accordance with the terms of Articles 102 et seq. of the TUF and is not aimed at, nor can it lead to the delisting of the Shares from Euronext Milan.

Therefore, given the nature of the Offer, there is no basis for resorting to the Right of Purchase as per Art. 111 of the TUF, or for the Mandatory Purchase as per the terms of Art. 108, paragraph 1, of the TUF.

**A.10. Alternatives for the addressees of the Offer**

The possible scenarios for current CIR Shareholders in the event of acceptance or non-acceptance of the Offer are illustrated below.

***A.10.1. Acceptance of the Offer***

In the event of acceptance of the Offer and fulfilment of the Conditions for the Offer to be Effective set out in Section A, Paragraph A.1 of the Offer Document (or waiver thereof by the Offeror), the Issuer's Shareholders will receive a price of Euro 0.61 for each Share tendered to the Offer and purchased by the Offeror.

By accepting the Offer the CIR Shareholder:

- (i) if the shareholder tenders all the Shares held and there is no Allocation, he or she will no longer be a shareholder of the Issuer, or
- (ii) in the event of an Allocation or if the Shareholder tenders only a part of his or her Shares, he or she will remain a shareholder of the Issuer and, if he or she were the owner of Shares with

special rights (such as, for example, increased voting rights as per Art. 127-quinquies of the TUF, or meeting the conditions for obtaining increased voting rights, or enhanced increased voting rights, or the right to be registered in CIR's stable shareholders book), the remaining Shares still owned will continue to enjoy the special rights as per the applicable legal and regulatory rules.

The majority shareholder FDB declared its intention to accept the Offer with 20,000,000.00 Shares owned by it, representing a 1.910% Percentage of the Ordinary Capital.

The Shares tendered in acceptance of the Offer will remain secured to service the Offer and therefore from the date of acceptance until the Payment Date those who have accepted the Offer:

(i) will be able to exercise their patrimonial rights (such as, for example, option rights and dividend rights) and their administrative rights (such as the right to vote) relating to the Shares tendered, but (ii) will not be able to sell all or part of, or otherwise dispose of the Shares (without prejudice to the right to cancel their acceptance of the Offer in the event of competing offers or prices hike as per Art. 44, paragraph 7, of the Rules for Issuers).

It is understood that, if even one of the Conditions for the Offer to be Effective should fail to be met and the Offeror does not exercise the right to waive the same, the Offer will not be completed and will be considered as terminated. In this case, the Shares tendered in acceptance of the Offer will once again be made available to their respective holders, without debiting any charges or expenses to their account, by the end of the Stock Exchange Trading Day after the date on which the non-completion of the Offer has been announced (for the first time), and the Shares can continue to be traded on Euronext Milan.

It should be noted that mere acceptance of the Offer does not in itself result in the loss of the increased voting rights or the conditions for maturing the increased voting rights or enhanced increased voting rights already acquired or matured during the Acceptance Period until the Payment Date where the Shares are not transferred to the Offeror. Therefore, if the Shares are returned because the Offer does not take effect for any reason or because of an Allocation, Tenderers will be entitled to have their Shares returned with the same rights (such as, for example, increased voting rights as per Art. 127-quinquies of the TUF, having matured the right to obtain increased voting rights or enhanced increased voting rights, or the right to be registered in CIR's stable shareholders book) as they would have had if they had not accepted the Offer.

For further information on how to accept the Offer, see Section F, Paragraph F.1. of the Offer Document.

For further information on the Allocation process, see Section A, Paragraph A.2, and Section L, of the Offer Document.

#### ***A.10.2. Non-acceptance of the Offer***

The Offer is a voluntary partial public tender offer launched pursuant to Articles 102 et seq. of the TUF



and is not aimed at, nor can it lead to, the delisting of the Issuer's Shares from Euronext Milan.

Therefore, in the event of non-acceptance of the Offer, the Shareholders will maintain their status as shareholders of the Issuer.

**A.11. Applicability of the exemptions under Article 101-bis, paragraph 3, of the TUF**

Pursuant to Article 101-bis, paragraph 3, letter d), of the TUF, the following rules are not applicable to the Offer: the provisions of Articles 102, paragraphs 2 and 5 (*Obligations of Offerors and Disqualification powers*), 103 paragraph 3-bis (*The Offer Procedure*), 104 (*Defence*), 104-bis (*Neutralisation rule*) and 104-ter (*Reciprocity clause*) of the TUF and any other clause of the TUF that gives the Offeror or the Issuer responsibility for giving specific information to employees or their representatives.

**A.12. Disclosure by the Issuer**

In view of the fact that the Offer is being launched by CIR and that the Offeror and the Issuer are one and the same, the Issuer did not publish a press release giving full information for an evaluation of the Offer and the Issuer in relation to the Offer, as required by Art. 103, paragraph 3, of the TUF and Art. 39 of the Rules for Issuers.

**A.13. Effects of the Covid-19 pandemic and the Russia-Ukraine and Gaza-Israel conflicts on the Issuer and the Offer**

The effects of the Covid-19 pandemic, which in the past had a very significant impact, especially on the subsidiary KOS, which operates in the social healthcare sector, have now been all but eliminated.

With regard to the Russia-Ukraine and Gaza-Israel conflicts, the Group's activities did not record any direct impacts worthy of mention. The indirect impacts (availability and prices of raw materials and energy, consequent inflationary pressures, financial market developments), which instead were significant at the start, are now diminishing.

Therefore, the impact of Covid-19 and of the Russia-Ukraine and Gaza-Israel conflicts on the Issuer and the Offer, as of the Date of the Offer Document, are not considered to be significant.

## **B. ENTITIES TAKING PART IN THE TRANSACTION**

### **B.1. Offeror and Issuer of the financial instruments eligible for tender under the Offer**

Information on CIR in its capacity as Offeror and Issuer is provided below.

#### ***B.1.1. Name, legal form, registered office, date of incorporation, duration, reference legislation and place of jurisdiction***

The Company is named 'CIR S.p.A. - Compagnie Industriali Riunite', which can be abbreviated to 'CIR S.p.A.'.

The Issuer is a public limited company (*società per azioni*) under Italian law with its registered office at Via Ciovassino 1, Milan, tax code, VAT number and registration number with the Register of Companies of Milan Monza- Brianza Lodi 01792930016, R.E.A. no. MI-1950090.

The Company was incorporated in Turin on December 22 1976 with a deed drawn up and signed by Notary Public in Turin Silvio Pettiti, rep. no. 86378, file no. 19649.

As per the terms of Art. 28 of the CIR Company Bylaws, the duration of the Company is established as until December 31 2050.

CIR is a company whose Shares are listed on Euronext Milan and operates in compliance with Italian law. The place of jurisdiction is Milan.

#### ***B.1.2. Subscribed and paid up share capital***

As of the Date of the Offer Document, the Issuer's fully subscribed and paid-up share capital amounts to Euro 420,000,000.00, divided into 1,047,207,314 Shares.

As of the Date of the Offer Document, the Issuer has not issued any other categories of Shares, or any bonds convertible into Shares, or warrants or other equity financial instruments.

Art. 8, paragraph 6, of CIR's Bylaws gives increased voting rights as per Art. 127-*quinquies* of the TUF, specifically recognising the right to be classified as Shares with Increased Voting Rights and therefore to cast two votes, to the Shares that meet all of the following conditions:

- (a) the right to vote has been held by the same person/entity on the strength of a real right giving entitlement (full ownership with the right to vote, bare ownership with the right to vote and usufruct with the right to vote) for a continuous period of no less than 48 months;
- (b) the condition in (a) above has been attested by continuous registration for a period of no less than 48 months in the list contained in the Stable Shareholders Book, set up for this purpose and kept and updated by the Company.

Furthermore, paragraph 6-*bis* of Article 8 of the Bylaws, as inserted by the resolution of the Company's Extraordinary General Meeting held on September 6 2024, provides that each share belonging - on the strength of a real right giving entitlement - to the same person registered in the special list in the Stable

Shareholders Book will be attributed an additional vote at the end of each 12-month period commencing from the acquisition of the double vote referred to in the preceding paragraph, up to a total maximum of ten votes for each Share with Enhanced Increased Voting Rights. In accordance with Article 127-*quinquies*, paragraph 2, last sentence, of the TUF, for those who, on the date the resolution of the Extraordinary General Meeting approving this paragraph 6-*bis* passed on September 6 2024 was registered at the competent Register of Companies, are entered in the Stable Shareholders Book and have already accrued the benefit of the double vote, the further accrual period shall commence from that date.

In the light of the adoption of this resolution, a number of CIR shareholders legitimately exercised their right of withdrawal as per Article 2437 of the Civil Code for a total of 187,872 Shares, equal to 0.018% of the share capital, for a total liquidation value of Euro 102,465.39. On October 9 2024, the Company then filed at the competent Register of Companies a notice of option and pre-emption offer on the redeemed Shares as per Article 2437-*quater*, paragraphs 1, 2 and 3 of the Civil Code, providing for an acceptance period running from the date of the relevant filing with the Register of Companies for 30 (thirty) days (i.e., until November 8 2024). At the end of the acceptance period for the option and pre-emption offer, there were no redeemed shares for which the option had not been exercised.

The following chart shows the breakdown of the Company's capital and voting rights updated as of the Date of the Offer Document.

	<i>Euro</i>	<i>No. of shares</i>	<i>Number of voting rights for calculation of Percentage of Total Voting Rights</i>
Total Shares	420,000,000.00	1,047,207,314	1,568,107,595
Of which: Shares without increased voting rights, with identification code: ISIN IT0000070786 and codes XXITV0000172, XXITV0000180	211,084,234	526,307,033	526,307,033
Of which: Shares with Increased Voting Rights, identification code ISIN IT0005241762	208,915,766	520,900,281	1,041,800,562

#### ***B.1.2.1. Main capital transactions carried out or approved in the last 12 months***

On April 29 2024, the Ordinary General Meeting of the Issuer passed the following resolutions:

- (i) to revoke, for the unused part, the authorisation granted by the Ordinary General Meeting on April 28 2023 to the Board of Directors to buy back a maximum number of 220,000,000 Own Shares and at the same time to grant the Board of Directors the authorisation to buy back a maximum number of 208,000,000 Own Shares, valid for a period of 18 months, specifying that

up to a limit of 20% of the total number of Shares making up the share capital of CIR may be bought back; and

- (ii) to establish that the unit price of the Own Shares bought back must not be more than 15% higher or lower than the benchmark price recorded by the Company's Shares on the Stock Exchange Trading Day preceding the date of each single buyback transaction or the date on which the price is fixed. In any case, when the purchases are made with orders placed in the regulated market, the price must not be higher than the higher of the price of the last independent transaction and the highest current independent bid price in the same market, in compliance with what is set out in Commission Delegated Regulation (EU) 2016/1052.

The main reasons why the authorisation was renewed are:

- (i) to fulfil obligations resulting from possible stock option plans or other awards of shares of the Company to employees or members of the Board of Directors of CIR or its subsidiaries, and to fulfil any obligations arising from debt instruments convertible into or exchangeable for equity instruments;
- (ii) to have a portfolio of Own Shares to be used as a consideration in extraordinary transactions, including those involving an exchange of equity holdings, with other parties within the context of transactions of interest to the Company (a stock of securities);
- (iii) to support market liquidity, optimise the capital structure and remunerate the Shareholders in particular market conditions;
- (iv) to take advantage of opportunities for creating value, as well as investing liquidity efficiently in relation to the market trends;
- (v) for any other purpose that the competent authorities may classify as accepted market practices under applicable European and domestic law, according to the procedures established therein.

Furthermore, again on April 29 2024, the extraordinary session of the Issuer's General Meeting resolved, among other things, to cancel 60,000,000 ordinary Shares held by the Company, without reducing its share capital (with a consequent amendment to Article 4 of the Company Bylaws where it states the number of Shares into which the share capital is divided), to grant the Board of Directors the power to cancel any CIR Own Shares acquired on the basis of the authorisation given by the General Meeting at an ordinary session, without reducing the share capital, up to a maximum of 208,000,000 CIR Shares, excepting any Own Shares that, together with the Own Shares already in the Company's portfolio, are necessary to cover the commitments arising from time to time from the stock grant plan (with the consequent insertion of a second paragraph in Article 4 of the Company Bylaws providing for this).

During the past 12 months, the Company purchased 43,541,491 Own Shares.

### B.1.3. Principal Shareholders

The chart below provides the figures relating to the main CIR Shareholders (those with interests equal to or higher than 5% of the share capital) - with particular reference to the Percentage of the Ordinary Capital and the Percentage of the Total Voting Rights held by each - based on the shareholders book and other information available to the Issuer as of the Date of the Offer Document.

<i>Declarant</i>	<i>Direct shareholder</i>	<i>Percentage of Ordinary Capital</i>	<i>Percentage of the Total Voting Rights<sup>(2)</sup></i>
F.LLI DE BENEDETTI S.p.A.	F.LLI DE BENEDETTI S.p.A.	38.028% <sup>(2)</sup>	50.066%
COBAS ASSET MANAGEMENT SGIIC SA	COBAS ASSET MANAGEMENT SGIIC SA	11.699%	14.369%
CIR S.p.A.	CIR S.p.A.	3.058%	2.042%

<sup>(1)</sup> FDB holds n. 398.236.345 Shares, of which n. 386.851.536 Shares with Increased Voting Rights

<sup>(2)</sup> Ratio existing, as of the Date of the Offer Document, between: (i) the voting rights of a specific Shareholder, pertaining to the Shares held by that Shareholder, and (ii) the total 1,568,107,595 voting rights, pertaining to the total number of Shares of the Issuer, including the 32,022,506 Own Shares held by the Issuer.

As of the Date of the Offer Document, control over the Issuer is exercised by FDB, with registered office at Via Valeggio 41, Turin, fully paid-in share capital of Euro 999,000,000, tax code and registration number with Turin Register of Companies 05936550010, pursuant to Article 93 of the TUF, as holder of a 50.066% Percentage of Total Voting Rights. FDB has declared its intention to accept the Offer for 20,000,000.00 Shares representing a 1.910% Percentage of the Ordinary Capital.

In the event of full acceptance of the Offer and taking into account the Shares already held in the Issuer's portfolio as of the Date of the Offer Document, CIR will hold 163,170,047 Shares, corresponding to a 15.581% Percentage of the Ordinary Capital.

The following chart contains a projection of the possible evolution of the Percentage of Ordinary Capital and the Percentage of Total Voting Rights held by FDB (pursuant to the combined provisions of Articles 2357-ter, paragraph 2, last sentence, and 2368, paragraph 3, of the Civil Code), assuming the following assumptions: i) that FDB accepts 20,000,000 Shares, of which all the 11,384,809 Shares without increased voting rights held by it and 8,615,191, Shares with Increased Voting Rights, ii) that 18% or, alternatively, 50% or, again, 100% of the Shares held by Shareholders other than FDB are tendered to the Offer, iii) that the Shares acquired as a result of the Allocation - according to the mechanisms described in Section L of the Offer Document - by Shareholders other than FDB are without any increased voting rights and, lastly, iv) that all the Shares acquired as a result of the Offer are cancelled.

<i>No. Shares tendered to the Offer</i>	<i>FDB's Percentage of Ordinary Capital</i>	<i>FDB's Percentage of Total Voting Rights</i>
131,147,541 Shares (including 20,000,000 FDB Shares and acceptances of 18% of Shares held by Shareholders other than FDB) in total equal to the Shares Eligible For Tender	41.289%	52.961%
328,474,332 Shares (including 20,000,000 FDB Shares and acceptances of 50% of Shares held by shareholders other than FDB)	42.601%	54.080%
636,948,463 Shares (including 20,000,000 FDB Shares and acceptances of 100% of Shares held by shareholders other than FDB)	43.023%	54.349%

Regarding the existence of shareholders' agreements of relevance to the provisions of Art. 122 of the TUF, it should be noted that as of the Date of the Offer Document the Shareholders' Agreement signed on March 12 2021 by Rodolfo De Benedetti, Marco De Benedetti, Edoardo De Benedetti (for the purposes of this Paragraph, the "**Shareholders**"), FDB and Margherita Crosetti and tacitly renewed until March 16 2027 was in force, containing clauses relevant to the provisions of Art. 122, paragraphs 1 and 5, letters a), b) and c), TUF, regarding the shares of (i) FDB, controlling shareholder of the Offeror, and of (ii) CIR, i.e., the Offeror.

The Agreement is binding on the Shareholders, who together hold 100% of the share capital of FDB, as well as on Margherita Crosetti, as holder of usufruct with voting rights for part of the shares of FDB, and on FDB itself, as owner of CIR shares.

For further information on the Agreement, see the essential information on the Agreement, set out in Section M of the Offer Document, as well as the extract of the Agreement published pursuant to Article 129 of the Rules for Issuers.

As far as CIR is aware, apart from the Agreement there are no other shareholder agreements of relevance as per the terms of Art. 122 of the TUF regarding CIR shares.

#### ***B.1.4. Brief description of the Group***

The Offeror is a holding company, listed on the Euronext Milan market, with controlling interests in the following companies: KOS S.p.A, the holding company of a group operating in the healthcare sector ("**KOS**"), Sogefi S.p.A., the holding company of a group operating in the automotive components sector ("**Sogefi**"), CIR Investimenti S.p.A. and CIR International S.A. ("**CIR Investimenti**" and "**CIR International**"), which exclusively engage in financial management activities. A brief description of these activities is given below.

## KOS

KOS is a group that mainly provides long term social healthcare services in Italy and Germany, managing a total of 147 facilities (nursing homes for the elderly and rehabilitation centres) with a total of 13,940 beds. The Group is divided into four main sectors:

- *Nursing Homes Italy*: 59 nursing homes for the elderly (6,631 beds), located in the northern and central regions, operating under the Anni Azzurri brand;
- *Rehabilitation Italy*: 15 facilities, 1,656 beds, specialising in functional rehabilitation, operating mainly under the Santo Stefano brand, and 18 facilities, 771 beds, specialising in psychiatric rehabilitation, operating mainly under the Neomesia brand;
- *Nursing Homes Germany*: management of 53 nursing homes for the elderly, with a total of 4,575 beds, through its subsidiary Charleston;
- *Acute care*: Villa dei Pini nursing home (Marche Region) with 184 beds.

KOS's business was severely affected by the consequences of the pandemic, registering a significant decline from the second quarter of 2020, which continued over the next 12 months. Recovery began in the second quarter of 2021 and during the first half of 2024 the company was operating at almost full capacity in all business segments and in most regions in both Italy and Germany.

As a result of the pandemic crisis, in addition to reduced activity, KOS faced the difficulties affecting the entire healthcare sector related to a shortage of healthcare personnel and high inflation on all costs, which had a significant impact on results. The gradual correction of inflationary tensions, the sustainable efficiency recovery measures implemented by the company and the tariff adjustment measures adopted by the government as well as by the company led to a positive net result in 2023, and this favourable trend continued in 2024.

In 2023, KOS recorded a turnover of Euro 751.9 million, of which Euro 530.7 million in Italy and Euro 221.2 million in Germany, becoming one of the sector's leading players in Italy.

For a summary of the KOS's results for the financial year 2023 and the first half of 2024, see Section B, Paragraph B.1.6, of the Offer Document.

For a detailed discussion of the results for the financial year 2023, see page 22 of the 2023 Directors' Report in the 2023 financial statements, which can be found on the Issuer's website [www.cirgroup.it](http://www.cirgroup.it), 'Investors/Financial Reports'.

For a detailed discussion of the results for the first half of 2024, see page 12 of the Interim Financial Report as of June 30 2024, which can be found on the Issuer's website [www.cirgroup.it](http://www.cirgroup.it), 'Investors/Financial Reports'.

## ***Sogefi***

The Group operates in the automotive sector and in particular in the design and production of suspension components and air and cooling systems. The Group supplies the world's leading manufacturers of passenger cars and light and heavy commercial vehicles and has 24 production plants in 14 countries and 4 continents.

In the Suspension sector, Sogefi produces a complete range of spring components for suspensions, such as coil springs, stabiliser bars, torsion bars, stabilisers, leaf springs and precision springs, designed in close collaboration with leading car manufacturers and used in passenger cars, light and heavy commercial vehicles, earthmoving machinery, armoured vehicles and rail cars. In this sector, Sogefi has a strong position in Europe and the South American market and is developing its business in China.

In the Air and Cooling sector, Sogefi designs and manufactures high-tech thermoplastic components for motor vehicles, including intake manifolds, intercooler pipes, engine temperature management systems, and coolant pump modules, with applications for both heat engines and electric motors. In this sector, the company has held a strong position in Europe and North America for many years and is developing its business in China.

Until May 31 2024, Sogefi operated in the Filtration division. On May 31, the Filtration division was sold as part of a strategy to enhance the value of the business after very significant growth in results, reduce the group's exposure to activities that are difficult to convert to e-mobility technologies, reduce the group's debt and ensure the investment capacity necessary to complete the turnaround of the Suspension business and to develop Air & Cooling products for e-mobility.

Sogefi's sales in 2023 amounted to Euro 1,627.9 million, broken down geographically as follows: Euro 941.0 million in Europe, Euro 377.1 million in North America and Euro 309.8 million in South America and Asia.

Pro forma sales in 2023, taking into account the current group perimeter, therefore excluding Filtration, amount to Euro 1,039.7 million, of which Euro 588.1 million in Europe, Euro 248.8 million in North America and Euro 202.8 million in South America and Asia.

For a summary of Sogefi's results for the year 2023 and the first half of 2024, see Section B, Paragraph B.1.6, of the Offer Document.

For a more detailed discussion of the results for the financial year 2023, see page 24 of the Directors' Report in the 2023 financial statements, which can be found on the Issuer's website [www.cirgroup.it](http://www.cirgroup.it), 'Investors/Financial Reports'.

For a detailed discussion of the results for the first half of 2024, see page 14 of the Interim Financial Report as of June 30 2024, which can be found on the Issuer's website [www.cirgroup.it](http://www.cirgroup.it), 'Investors/Financial Reports'.



### ***Financial management activities***

CIR engages in financial management activities directly and through its subsidiaries CIR Investimenti and CIR International.

Financial investments and liquidity amounted to Euro 377.8 million as of December 31 2023 and Euro 429.2 million as of June 30 2024.

These sums are managed according to the guidelines defined by the Board of Directors, which are updated from time to time. The current investment policy has a conservative risk profile and funds are mostly allocated to readily marketable financial instruments, in line with the Company's desire to have liquidity available for strategic investment activity.

Readily marketable assets amounted to Euro 314.4 million at the end of 2023 and Euro 369.8 million at June 30 2024, with an asset allocation of approximately 10% bank deposits, 70% bond funds and 20% hedge funds.

In addition to readily marketable financial assets, CIR holds a portfolio of private equity funds, the value of which was Euro 56.4 million as of December 31 2023 and Euro 59.3 million as of June 30 2024.

Lastly, as of December 31 2023, CIR held real estate with a book value of Euro 15.4 million. During the first half of 2024, the sale of a number of properties with a book value of Euro 11.0 million was finalised for a total consideration of Euro 38 million. The Company currently owns a property with a book value of Euro 4.4 million, where its headquarters are located.

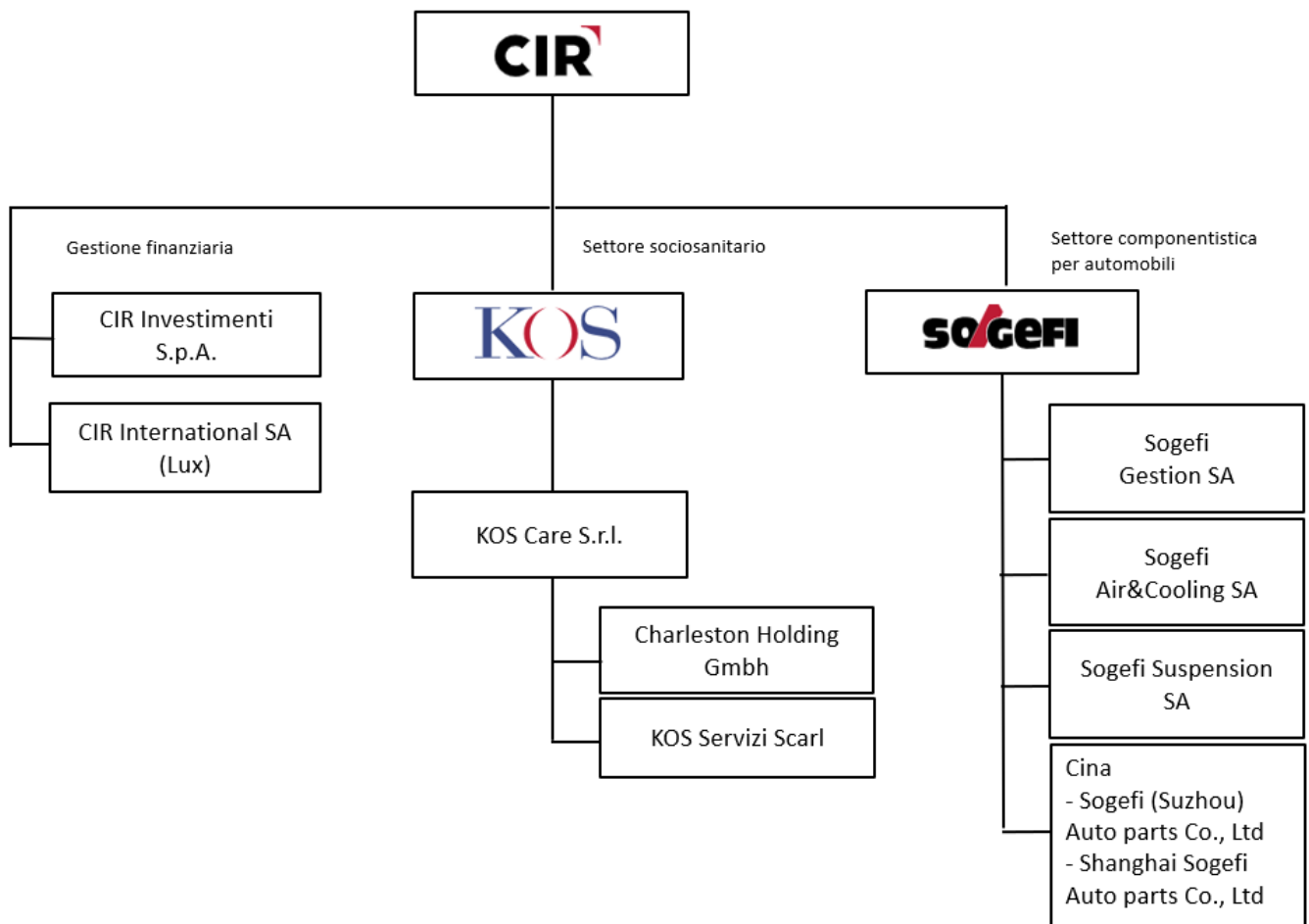
For a summary of the results of financial management for the year 2023 and the first half of 2024, see Section B, Paragraph B.1.6 of the Offer Document.

For a more detailed discussion of the results for the financial year 2023, see page 25 of the Directors' Report in the 2023 financial statements, which can be found on the Issuer's website [www.cirgroup.it](http://www.cirgroup.it), 'Investors/Financial Reports'.

For a detailed discussion of the results for the first half of 2024, see page 15 of the Interim Financial Report as of June 30 2024, which can be found on the Issuer's website [www.cirgroup.it](http://www.cirgroup.it), 'Investors/Financial Reports'.

### *Simplified outline of the Group structure*

The simplified structure of the CIR Group as of the Date of the Offer Document, limited to the main companies, is shown below.



A complete list of the subsidiaries in which the company holds an interest is provided below.

<i>Company name</i>	<i>Registered office</i>	<i>Share Capital</i>	<i>Currency</i>	<i>Held by</i>	<i>% investment in share capital</i>
<b><i>CIR GROUP</i></b>					
CIR INTERNATIONAL S.A.	Luxembourg	15,000,000.00	Euro	CIR S.p.A.	100.00
CIGA LUXEMBOURG S.À.R.L.	Luxembourg	1,000,000.00	Euro	CIR S.p.A.	100.00
JUPITER MARKETPLACE S.R.L.	Italy	100,000.00	Euro	CIR S.p.A.	100.00
CIR INVESTIMENTI S.P.A.	Italy	19,426,162.00	Euro	CIR S.p.A.	100.00
DEVIL PEAK S.R.L.	Italy	115,446.64	Euro	JUPITER MARLKETPLACE S.r.l.	41.18
KTP GLOBAL FINANCE S.C.A.	Luxembourg	566,573.75	Euro	CIR INTERNATIONAL S.A.	47.55
KTP GLOBAL FINANCE MANAGEMENT S.A.	Luxembourg	31,000.00	Euro	CIR INTERNATIONAL S.A.	46.00
<b><i>KOS GROUP</i></b>					
KOS S.P.A.	Italy	8,853,458.40	Euro	CIR S.p.A.	59.77
OSPEDALE DI SUZZARA S.P.A.	Italy	120,000.00	Euro	KOS S.p.A.	99.90
KOS CARE S.R.L.	Italy	2,550,000.00	Euro	KOS S.p.A.	100.00
ABITARE IL TEMPO S.R.L.	Italy	100,826.00	Euro	KOS CARE S.r.l.	54.00
SANATRIX S.R.L.	Italy	843,700.00	Euro	KOS CARE S.r.l.	94.08
JESILAB S.R.L.	Italy	80,000.00	Euro	KOS CARE S.r.l.	100.00
FIDIA S.R.L.	Italy	10,200.00	Euro	KOS CARE S.r.l.	60.00
SANATRIX GESTION I S.R.L.	Italy	300,000.00	Euro	SANATRIX S.r.l.	99.64
CHARLESTON HOLDING GMBH	Germany	25,000.00	Euro	KOS CARE S.r.l.	100.00
REGENTA BETRIEBSGESELLSCHAFT MBH	Germany	250,000.00	Euro	Charleston Holding GmbH	100.00
ELISABETHENHAUS BETRIEBSGESELLSCHAFT MBH	Germany	250,000.00	Euro	Charleston Holding GmbH	100.00
Dienstleistungsgesellschaft für sozialeinrichtungen MBH	Germany	25,600.00	Euro	Charleston Holding GmbH	100.00
WOHN- UND PFLEGEZENTRUM FRIESENHOF GMBH	Germany	25,000.00	Euro	Charleston Holding GmbH	100.00
WOHN- UND PFLEGEZENTRUM HAUS TEICHBlick GMBH	Germany	128,150.00	Euro	Charleston Holding GmbH	100.00
WOHN- & PFLEGEZENTRUM GUT HANSING GMBH	Germany	50,000.00	Euro	Charleston Holding GmbH	100.00
WOHN- UND PFLEGEZENTRUM HAUS AM BAHNHOF GMBH	Germany	51,150.00	Euro	Charleston Holding GmbH	100.00
RSG ROTENBURGER SERVICEGESELLSCHAFT AM BAHNHOF MBH	Germany	25,000.00	Euro	Charleston Holding GmbH	100.00
WOHN- UND PFLEGEZENTRUM HAUS OTTERSBERG GMBH	Germany	51,150.00	Euro	Charleston Holding GmbH	100.00
WOHN- & PFLEGEZENTRUM SEEHOF GMBH	Germany	51,200.00	Euro	Charleston Holding GmbH	100.00
WOHN- UND PFLEGEZENTRUM HAUS SCHWANEWEDE GMBH	Germany	27,500.00	Euro	Charleston Holding GmbH	100.00
ALTEN- UND PFLEGEZENTRUM ZU BAKUM GMBH	Germany	51,129.00	Euro	Charleston Holding GmbH	100.00
CURATUM BETEILIGUNGS- UND VERWALTUNGSGESELLSCHAFT MBH	Germany	25,000.00	Euro	Charleston Holding GmbH	100.00
CHARLESTON VOR GMBH	Germany	25,000.00	Euro	Charleston Holding GmbH	100.00
CHARLESTON - AMBULANTE DIENSTE GMBH	Germany	25,000.00	Euro	Charleston Holding GmbH	100.00
SENOVUM GMBH	Germany	226,000.00	Euro	Charleston Holding GmbH	100.00
WOHN- UND PFLEGEHEIM LESMONA GMBH	Germany	25,000.00	Euro	Charleston Holding GmbH	100.00
SENIOREN- UND PFLEGEHAUS "DRENDEL" BETRIEBS GMBH	Germany	30,000.00	Euro	Charleston Holding GmbH	100.00
WOHN- UND PFLEGEEINRICHTUNG BAD CAMBERG GMBH -ANNA-MÜLLER-HAUS-	Germany	100,000.00	Euro	Charleston Holding GmbH	100.00
WOHN- UND PFLEGEZENTRUM HAUS KIKRA GMBH	Germany	26,000.00	Euro	Charleston Holding GmbH	100.00
MPS CATERING GMBH	Germany	25,000.00	Euro	Charleston Holding GmbH	100.00
BAYERNSTIFT - GESELLSCHAFT FÜR SOZIALE DIENSTE UND GESUNDHEIT MBH	Germany	250,000.00	Euro	Charleston Holding GmbH	100.00
BRISA MANAGEMENT GMBH	Germany	25,000.00	Euro	Charleston Holding GmbH	100.00
WOHN- UND PFLEGEZENTRUM ESSEN GMBH	Germany	25,000.00	Euro	Charleston Holding GmbH	100.00

WOHN- UND PFLEGEZENTRUM MÜLHEIM GMBH	Germany	25,000.00	Euro	Charleston Holding GmbH	100.00
CHARLESTON DIENSTLEISTUNGSGESELLSCHAFT RUHR MBH	Germany	25,000.00	Euro	Charleston Holding GmbH	100.00
WOHN- UND PFLEGEZENTRUM NEUENSTEIN GMBH	Germany	25,000.00	Euro	Charleston Holding GmbH	100.00
Q.L.T.CARE GMBH	Germany	25,000.00	Euro	Charleston Holding GmbH	100.00
WOHN- UND PFLEGEZENTRUM CRAILSHEIM GMBH	Germany	25,000.00	Euro	Charleston Holding GmbH	100.00
WOHN- UND PFLEGEZENTRUM DURLANGEN GMBH	Germany	25,000.00	Euro	Charleston Holding GmbH	100.00
INNTAL PFLEGEHEIME GMBH	Germany	25,000.00	Euro	Charleston Holding GmbH	100.00
SSB SERVICEGESELLSCHAFT SELSINGER BÖRDE MBH	Germany	25,000.00	Euro	CHARLESTON VOR GMBH	100.00
WOHNPARK DR. MURKEN GMBH	Germany	25,000.00	Euro	Brisa Management GmbH	100.00
WOHNPARK KLOSTERGARTEN GMBH	Germany	26,000.00	Euro	Brisa Management GmbH	100.00
WOHNPARK SCHRIEWESHOF GMBH	Germany	25,000.00	Euro	Brisa Management GmbH	100.00
WOHNPARK LUISENHOF GMBH	Germany	25,000.00	Euro	Brisa Management GmbH	100.00
CHRISTOPHORUS SENIORENRESIDENZEN GMBH	Germany	25,000.00	Euro	Brisa Management GmbH	100.00
CHRISTOPHORUS PFLEGE- UND BETREUUNGSDIENSTE GMBH	Germany	25,000.00	Euro	Brisa Management GmbH	100.00
CHRISTOPHORUS INTENSIVPFLEGEDIENSTE GMBH	Germany	25,000.00	Euro	Brisa Management GmbH	100.00
SIG GMBH	Germany	25,000.00	Euro	Brisa Management GmbH	100.00
GSA GP GMBH	Germany	25,000.00	Euro	Brisa Management GmbH	100.00
GSA GMBH & CO. IMMOBILIEN VERWALTUNGS KG	Germany	5,000.00	Euro	Brisa Management GmbH	100.00
BAYERNSTIFT SERVICE GMBH	Germany	25,000.00	Euro	BayernStift - Gesellschaft für Soziale Dienste und Gesundheit mbH	100.00
SLW ALTENHILFE LIEBFRAUENHAUS GMBH	Germany	50,000.00	Euro	BayernStift - Gesellschaft für Soziale Dienste und Gesundheit mbH	100.00
BAYERNSTIFT MOBIL GMBH	Germany	25,000.00	Euro	BayernStift - Gesellschaft für Soziale Dienste und Gesundheit mbH	100.00
RDS RESIDENZPARK DIENSTLEISTUNG & SERVICE GMBH	Germany	25,000.00	Euro	Wohn- & Pflegezentrum Gut Hansing GmbH	100.00
DIENSTLEISTUNGSGESELLSCHAFT FÜR SOZIALEINRICHTUNGEN - NORD MBH	Germany	25,000.00	Euro	Wohn- und Pflegezentrum Haus Teichblick GmbH	100.00
OSW OTTERSBERGER SERVICEGESELLSCHAFT WÜMMEBLICK MBH	Germany	25,000.00	Euro	Wohn- und Pflegezentrum Haus Ottersberg GmbH	100.00
DGS DIENSTLEISTUNGSGESELLSCHAFT SEEHOF MBH	Germany	26,000.00	Euro	Wohn- & Pflegezentrum Seehof GmbH	100.00
PROGUSTO SCHWANEWEDER SERVICEGESELLSCHAFT MBH	Germany	25,000.00	Euro	Wohn- und Pflegezentrum Haus Schwanewede GmbH	100.00
APZ ZU BAKUM SERVICEGESELLSCHAFT MBH	Germany	25,000.00	Euro	Alten- und Pflegezentrum zu Bakum GmbH	100.00
SENIORENDOMIZIL HAUS AM PARK GMBH	Germany	50,000.00	Euro	Curatum Beteiligungs- und Verwaltungsgesellschaft mbH	100.00
WOHN- UND PFLEGEZENTRUM HAUS AM GOLDBACH GMBH	Germany	50,000.00	Euro	Curatum Beteiligungs- und Verwaltungsgesellschaft mbH	100.00
WOHN- UND PFLEGEZENTRUM BURG AUF FEHMARN GMBH	Germany	25,000.00	Euro	Curatum Beteiligungs- und Verwaltungsgesellschaft mbH	100.00
LANDHAUS GLÜCKSTADT WOHN- & PFLEGEZENTRUM GMBH	Germany	51,129.00	Euro	Curatum Beteiligungs- und Verwaltungsgesellschaft mbH	100.00
WOHN- & PFLEGEZENTRUM UP'N KAMP GMBH	Germany	26,000.00	Euro	Curatum Beteiligungs- und Verwaltungsgesellschaft mbH	100.00
VSG VÖRDER SERVICE GESELLSCHAFT MBH	Germany	25,000.00	Euro	Senioren-domizil Haus am Park GmbH	100.00
FFH FEHMARNSCHE FLINKE HÄNDE SERVICEGESELLSCHAFT MBH	Germany	25,000.00	Euro	Wohn- und Pflegezentrum Burg auf Fehmarn GmbH	100.00
LH GLÜCKSTADT SERVICEGESELLSCHAFT MBH	Germany	25,000.00	Euro	Landhaus Glückstadt Wohn- & Pflegezentrum GmbH	100.00
GBS GOLDBACH SERVICEGESELLSCHAFT MBH	Germany	25,000.00	Euro	Wohn- und Pflegezentrum Haus am Goldbach GmbH	100.00
BSG BÖRDE SERVICEGESELLSCHAFT MBH	Germany	25,565.00	Euro	Wohn- & Pflegezentrum Up'n Kamp GmbH	100.00
WPH LESMONA SERVICEGESELLSCHAFT MBH	Germany	25,000.00	Euro	Wohn- und Pflegeheim Lesmona GmbH	100.00
DIE FRANKENSCHWESTERN GMBH	Germany	25,000.00	Euro	Bayernstift Mobil GmbH	60.00
KOS SERVIZI SOCIETÀ CONSORTILE A R.L.	Italy	138,000.00	Euro	KOS CARE S.r.l.	85.51
				Other group companies.	14.49
					100.00

**SOGEFI GROUP**

SOGEFI S.p.A.	Italy	62,461,355.84	Euro	CIR S.p.A.	55.64
SOGEFI GESTION S.A.S.	France	100,000.00	Euro	SOGEFI S.p.A.	100.00
SOGEFI SUSPENSIONS S.A.	France	73,868,383.00	Euro	SOGEFI S.p.A.	99.999
SOGEFI AIR & COOLING S.A.S.	France	54,938,125.00	Euro	SOGEFI S.p.A.	100.00
SHANGHAI SOGEFI AUTO PARTS Co., Ltd	China	13,000,000.00	USD	SOGEFI S.p.A.	100.00
SOGEFI (SUZHOU) AUTO PARTS CO., Ltd	China	37,400,000.00	USD	SOGEFI S.p.A.	100.00
ALLEVARD SPRINGS Ltd	Great Britain	4,000,002.00	GBP	SOGEFI SUSPENSIONS S.A.	100.00
SOGEFI HD SUSPENSIONS GERMANY GmbH	Germany	50,000.00	Euro	SOGEFI SUSPENSIONS S.A.	100.00
SOGEFI SUSPENSION BRASIL Ltda	Brazil	37,161,683.00	BRL	SOGEFI SUSPENSIONS S.A.	100.00
SOGEFI SUSPENSION ARGENTINA S.A.	Argentina	61,356,535.00	ARS	SOGEFI SUSPENSIONS S.A.	89.999
				SOGEFI SUSPENSIONS BRASIL Ltda	9.9918
					99.99
IBERICA DE SUSPENSIONES S.L. (ISSA)	Spain	10,529,668.00	Euro	SOGEFI SUSPENSIONS S.A.	50.00
UNITED SPRINGS Limited	Great Britain	4,500,000.00	GBP	SOGEFI SUSPENSIONS S.A.	100.00
UNITED SPRINGS B.V.	Holland	254,979.00	Euro	SOGEFI SUSPENSIONS S.A.	100.00
UNITED SPRINGS S.A.S.	France	5,109,000.00	Euro	SOGEFI SUSPENSIONS S.A.	100.00
S.ARA COMPOSITE S.A.S.	France	13,000,000.00	Euro	SOGEFI SUSPENSIONS S.A.	96.15
SOGEFI ADM SUSPENSIONS Private Limited	India	432,000,000.00	INR	SOGEFI SUSPENSIONS S.A.	74.23
SOGEFI SUSPENSIONS HEAVY DUTY ITALY S.p.A.	Italy	6,000,000.00	Euro	SOGEFI SUSPENSIONS S.A.	99.88
SOGEFI SUSPENSIONS PASSENGER CAR ITALY S.p.A.	Italy	8,000,000.00	Euro	SOGEFI SUSPENSIONS S.A.	99.88
SOGEFI SUSPENSIONS EASTERN EUROPE S.R.L.	Romania	31,395,890.00	RON	SOGEFI SUSPENSIONS S.A.	100.00
SOGEFI AIR & COOLING CANADA CORP.	Canada	9,393,000.00	CAD	SOGEFI AIR & COOLING S.A.S.	100.00
SOGEFI AIR & COOLING USA INC.	U.S.A.	100.00	USD	SOGEFI AIR & COOLING S.A.S.	100.00
SOGEFI ENGINE SYSTEMS MEXICO S. de R.L. de C.V.	Mexico	126,246,760.00	MXN	SOGEFI AIR & COOLING CANADA CORP.	99.99999
S.C. SOGEFI AIR & COOLING S.R.L.	Romania	7,087,610.00	RON	SOGEFI AIR & COOLING S.A.S.	100.00
ATN MOLDS & PARTS S.A.S.	France	400,000.00	Euro	SOGEFI AIR & COOLING S.A.S.	100.00

### ***B.1.5. Administrative and Control Bodies***

#### ***B.1.5.1. Board of Directors***

In accordance with Article 11 of CIR's Company Bylaws, the Issuer is administered by a Board of Directors consisting of between 5 and 15 members.

The Issuer's Board of Directors in office as of the Date of the Offer Document was appointed by the General Meeting on April 28 2023 and will remain in office until the approval of the financial statements for the year ending December 31 2025. The General Meeting set the number of members of the Board of Directors at 9, as listed below.

<b>Position held</b>	<b>Name</b>	<b>Place and date of birth</b>	<b>Date appointed</b>
Chairman	Rodolfo De Benedetti	Turin, July 2 1961	April 28 2023
Chief Executive Officer and General Manager	Monica Mondardini	Montescudo (RN), September 26 1960	April 28 2023
Director	Philippe Bertherat	Geneva (CH), October 2 1960	April 28 2023
Director	Edoardo De Benedetti	Turin, December 7 1964	April 28 2023
Director	Marco De Benedetti	Turin, September 9 1962	April 28 2023
Director	Tommaso Nizzi	Florence, March 10 1987	April 28 2023
Director	Elisabetta Olivieri	Varazze (SV), October 25 1963	April 28 2023
Director	Francesca Pasinelli	Gardone Val Trompia (BS), March 23 1960	April 28 2023
Director	Maria Serena Porcari	Premosello-Chiovenda (VB), April 11 1971	April 28 2023

The Board of Directors was appointed using the list vote system. Eight directors were appointed from the list presented by the majority shareholder FDB, and one director, Tommaso Nizzi, was chosen from the minority list presented by Beatrice Baroncelli and Alessandro Nizzi.

Of the 9 members making up the Board of Directors, 5 are independent directors, pursuant to the TUF and the Corporate Governance Code adopted by the Company: Philippe Bertherat, Tommaso Nizzi, Francesca Pasinelli, Maria Serena Porcari and Elisabetta Olivieri.

On April 28 2024, the Board of Directors appointed Rodolfo De Benedetti as Chairman of the Board of Directors and Monica Mondardini as Chief Executive Officer.

The Chairman of the Board of Directors, Rodolfo De Benedetti, also holds the position of Chairman of the Board of Directors of the subsidiary CIR Investimenti and Director of the subsidiary Sogefi S.p.A.; the Chief Executive Officer and General Manager, Monica Mondardini, also holds the position

of Chairman of the Board of Directors of the subsidiary Sogefi S.p.A. and Director of the subsidiary KOS S.p.A. With the exception of the Chairman of the Board of Directors and the Chief Executive Officer, the remaining directors, as of the Date of the Offer Document, do not hold corporate offices in other companies of the CIR Group.

For further information on the members of the Board of Directors, see their CVs available on the Issuer's website, [www.cirgroup.it](http://www.cirgroup.it), 'Governance / Board of Directors'.

The table below shows the shareholding interests owned by the Directors of CIR in the Issuer and/or in other companies of the CIR Group as of the Date of the Offer Document.

Position held	Name	Investee company	Number of Shares held as of the Date of the Offer Document
Chairman of the Board of Directors	Rodolfo Benedetti	De CIR	16,500,623 <sup>(1)</sup>
Chief Executive Officer	Monica Mondardini	CIR	897,538
Director	Tommaso Nizzi	CIR	793,200 <sup>(2)</sup>

(1) of which: 2,025,944 directly held and 14,474,679 indirectly held.

(2) of which: 150,000 directly held and 643,200 indirectly held.

Director Tommaso Nizzi expressed his intention to accept the Offer for the shares directly and indirectly held.

#### **B.1.5.2. Board of Statutory Auditors**

As per the terms of Article 22 of CIR's Company Bylaws, the Board of Statutory Auditors consists of 3 statutory auditors and 3 reserve auditors.

The Issuer's Board of Statutory Auditors in office as of the Date of the Offer Document was appointed by the General Meeting on April 28 2023, will remain in office until the approval of the financial statements for the year ending December 31 2025: Its composition is shown below.

Position held	Name	Place and date of birth	Date appointed
Chairman of the Board of Statutory Auditors	Giovanni Barbara	Alessano (LE), December 19 1960	April 28 2023
Statutory Auditor	Francesco Mantegazza	Milan, May 3 1973	April 28 2023
Statutory Auditor	Maria Magdalena Gnudi	Pesaro (PU), March 13 1979	April 28 2023

Alternate Auditor	Antonella Dellatorre	Casale Monferrato (AL), January 9 1971	April 28 2023
Alternate Auditor	Gaetano Rebecchini	Washington D.C. (U.S.A.), March 24 1987	April 28 2023
Alternate Auditor	Marco Pardi	Rome, January 12 1965	April 28 2023

The appointment was made by the list voting system. The members of the Board of Statutory Auditors were appointed from the list presented by the majority shareholder FDB, with the exception of the Chairman Giovanni Barbara and the Alternate Auditor Marco Pardi, chosen from the minority list presented by Beatrice Baroncelli and Alessandro Nizzi.

Alternate Auditor Gaetano Rebecchini was appointed by the General Meeting of April 29 2024 with a resolution to restore the Board of Statutory Auditors to full membership (required after the termination of the office of Alternate Auditor Luigi Macchiorlatti Vignat due to his death) on the proposal submitted by the majority shareholder FDB.

Statutory Auditor Francesco Mantegazza also holds the position of alternate auditor in subsidiary CIR Investimenti; Alternate Auditor Gaetano Rebecchini also holds the position of statutory auditor in subsidiaries KOS S.p.A. and Sogefi S.p.A.; alternate auditor Antonella Dellatorre also holds the position of statutory auditor in subsidiary CIR Investimenti. The remaining members of the Board of Statutory Auditors, as of the Date of the Offer Document, do not hold offices in other companies of the CIR Group.

As of the Date of the Offer Document, none of the members of the Board of Statutory Auditors of the Offeror has declared that he or she holds Shares of the Issuer.

#### ***B.1.5.3. Independent auditors***

The company appointed to carry out the independent audit of the statutory and consolidated financial statements of the Issuer and of the statutory and consolidated statements of the companies of the Group is KPMG S.p.A., with registered office at Via Vittor Pisani 25, Milan (the “**Firm of Auditors**”).

The mandate was given by the Issuer’s General Meeting on April 29 2016 and will expire with the approval of the financial statements for the year ending December 31 2025.

The most recent audit report on the annual financial statements was issued on April 5 2024 without any remarks or requests for information. This report can be found on page 203 of the Financial Statements for the year ended December 31 2023, available on the Company's website [www.cirgroup.it](http://www.cirgroup.it) under the section '*Investors/Financial Reports*'.

Subsequently, on August 2 2024, the limited review report on the condensed interim consolidated financial statements was issued, without any remarks or requests for information. This report can be found on page 91 of the Interim Financial Report as of June 30 2024, available on the Company's



website *www.cirgroup.it* under the "Investors/Financial Reports" section.

#### **B.1.6. a) Operating Performance and Financial Statements 2023**

##### **Operating performance in 2023**

In 2023 **revenue** amounted to Euro 2,379.8 million, an increase of 6.9 % compared to 2022, with positive trends in both business segments of the group. KOS recorded an increase in revenue of 10% and Sogefi of 5.5%. The group achieved 74.8% of its revenue abroad.

**Consolidated operating profit** (EBIT) stood at Euro 146.2 million, compared to Euro 83.9 million in 2022. The increase was due to the rise in sales and the improvement in margins at both KOS and Sogefi, as illustrated in more detail below.

The **consolidated net financial result**, including financial expense IFRS 16, was negative by Euro 48.1 million compared to Euro 55.2 million in 2022:

- gains from the financial investment portfolio of the holding company CIR and financial subsidiaries were positive by Euro 5.3 million, compared to a net negative amount of Euro 5.1 million in the corresponding period of 2022;
- net financial expense of subsidiaries amounted to Euro 29.1 million and increased by Euro 2.5 million compared to 2022 due to higher interest rates on variable-rate bank loans;
- IFRS 16 charges amounted to Euro 24.3 million in 2023 (Euro 23.5 million in 2022).

The **loss from assets held for sale** was Euro 6.9 million (-0.7 million in 2022), of which Euro 6.7 million (Euro 1.4 million in 2022) related to the sale of Sogefi's Suspensions business in Mexico.

The **consolidated net profit** was Euro 32.8 million, compared to a loss of Euro 0.2 million in 2022; the contribution of the operating subsidiaries was Euro 39.5 million, compared to Euro 16.3 million in the previous year, while the contribution of the holding company and subsidiaries CIR Investimenti and CIR International was a loss of Euro 6.7 million (Euro 16.5 million in 2022).

In 2023 the **cash flow from continuing operations** was Euro 64.0 million; recurring operating flows were positive by Euro 51.2 million; the following non-recurring flows were also recorded: gains on asset disposals of Euro 44.9 million (Indian subsidiary of KOS, Euro 18.6 million, two properties of KOS, Euro 17.6 million, CIR properties Euro 8.7 million), investments in development of Euro 11.3 million (in addition to the recurring investments made by operating activities) and finally disbursements of Euro 14.0 million for the purchase of Own Shares and Euro 6.8 million in dividends.

The increase in free cash flow compared to 2022, which recorded a financial surplus of Euro 3.8 million, is due for about Euro 21 million to the rise in recurring flows related to the improved results of all Group activities, and for the remainder to non-recurring flows.

**Consolidated net financial debt, excluding IFRS 16 payables**, was Euro 17.8 million as of December

31 2023, compared to Euro 81.8 million as of December 31 2022:

- the net debt of the subsidiaries was equal to Euro 332.2 million compared to Euro 402.2 million at December 31 2022;
- the aggregate net financial position of CIR, CIR Investimenti and CIR International was positive by Euro 314.4 million, slightly lower than as of December 31 2022 (Euro 320.4 million) due to CIR's purchase of Own Shares for Euro 14.0 million.

**Consolidated net financial debt including IFRS 16 payables**, as of December 31 2023, amounted to Euro 871.5 million, including right-of-use assets for Euro 853.7 million, chiefly belonging to KOS (Euro 788.8 million), which operates using mainly leased properties.

Group **equity** as of December 31 2023 amounted to Euro 753.6 million, compared to Euro 743.4 million as of December 31 2022; the change is mainly attributable: as an increase, to the profit for the year of Euro 32.8 million, as a decrease, to the purchase of Own Shares for Euro 14.0 million and the negative exchange rate effect of Euro 9.3 million.

## KOS

The KOS business, which was severely affected by the consequences of the pandemic, has been gradually recovering since mid-2021; in 2023, the Functional and Psychiatric Rehabilitation sector is back to full operation, while in the residential care home sector, saturation recovery has been significant, but not yet complete.

**Revenue** for 2023 amounted to Euro 751.9 million, an increase of 10.0% compared to 2022, thanks to the recovery in all sectors: nursing homes in Italy (+12.1%) and in Germany (+15.4%), where the increase in revenue also includes tariff adjustments, and Functional and Psychiatric Rehabilitation (+7.2%).

**EBIT** increased to Euro 53.0 million, compared to Euro 30.3 million in 2022, despite the loss of the significant support still guaranteed in 2022 by the German healthcare system for social healthcare operators. The increase in operating result resulted from the increased activity, tariff adjustments, recovery of operating efficiency due to higher saturation and “normalisation” of the health situation, and the reversal of trends in energy costs compared to 2022.

The **net result** was positive by Euro 11.7 million (Euro -0.8 million in 2022). The net result in Italy recovered markedly, but was still below the pre-crisis results; the performance in Germany was more problematic, due to the loss of the significant subsidies collected in the previous year and an adjustment of tariffs that is still not enough to offset the increase in costs recorded during the two-year period 2022-2023.

**Free cash flow** before the application of IFRS 16 was positive by Euro 46.4 million: operating cash flow amounted to Euro 15.7 million, gains on disposals of Euro 36.8 million were recorded (sale of the

Indian Diagnostics and Cancer Cure business and of real estate in Italy), and investments in development of Euro 6.1 million were incurred.

**Net debt**, excluding liabilities arising from the application of IFRS 16, at the end of 2023 amounted to Euro 131.9 million (Euro 178.3 million at the end of 2022); total net debt amounted to Euro 920.7 million, including liabilities under IFRS 16.

On June 28 2023, the sale of the Diagnostics and Cancer Cure business in India was finalised, thus concluding the strategic refocusing process started in 2020 with the sale of Medipass. The equity value consideration of the sale, net of transaction costs, was Euro 18.6 million.

## **Sogefi**

In 2023, the automotive market experienced a vigorous recovery, with global vehicle production up 9.4% by 2022 and progress in all geographical areas: Europe +12.5%, NAFTA +9.5%, China +9.4%, India +6.3% and Mercosur +3.5%. Global production for the year reached 2019 volumes (+1.2%), thanks to China (+17.2%) and India (+29.5%), while it remained lower in Europe (-13.0%), Mercosur (-9.6%) and NAFTA (-4.1%). On the production cost side, tensions in the raw materials and energy markets eased, while labour costs were affected by inflation over the past two financial years.

The Group's consolidated **revenue** grew by 5.5% compared to 2022 and by 9.1% at constant exchange rates, reflecting the increase in production volumes (+6.1%) and sales prices (+2.8%).

**EBIT**, at Euro 105.2 million, grew by 49.2%, with an EBIT margin at 6.5% of sales, compared to 4.6% in 2022.

**Net profit** amounted to Euro 57.8 million (+95.4% compared to Euro 29.6 million in 2022).

**Free cash flow** was positive at Euro 37.9 million (Euro 29.3 million in 2022) and **net debt** (pre IFRS 16) as of December 31 2023 decreased to Euro 200.7 million, compared to Euro 224.3 million as of December 31 2022 (due to the free cash flow generated and net of dividends paid to third parties and the fair value of derivatives).

## **Financial management**

During 2023, global stock and bond markets recovered strongly after a very negative performance in 2022 and bond yields became positive again following successive interest rate hikes by central banks to counter inflation.

The **management of the financial assets** of the parent and financial subsidiaries, mainly carried out by CIR Investimenti and CIR International, recorded a return of 1.4%, compared to -1.3% in 2022. In particular, the total return on “highly liquid” assets (bonds, hedge funds, equities) was +3.7 %, while the remainder of the portfolio (private equity and minority shareholdings) still recorded a correction partly due to the development of the euro/dollar exchange rate.

## Summary of CIR's Separate Financial Statements

The parent CIR closed 2023 with a loss of Euro 6.7 million compared to a profit of Euro 3.0 million in 2022.

Sundry **revenue and income**, relating to income from properties owned by the company and intercompany services, amounted to Euro 1.4 million compared to Euro 1.8 million in 2022.

**Operating expenses** amounted to Euro 9.7 million, a slight decrease from the previous year, while other costs and amortisation and depreciation decreased from Euro 6.8 million in 2022 (including non-recurring expenses in the amount of Euro 5.0 million) to Euro 1.8 million in 2023.

CIR's **financial management result** stood at Euro 1.7 million, down from Euro 13.1 million in 2022 mainly due to the lower flow of dividends from subsidiaries, which amounted to Euro 4 million in 2023 (Euro 16 million in 2022).

CIR's **net financial position** as of December 31 2023 was Euro 1.4 million.

Moreover, as of December 31 2023, the Company had outstanding interest-bearing loans at market rates granted to the subsidiaries CIR Investimenti and CIR International for Euro 56.1 million.

As of December 31 2023, the Company's **equity** amounted to Euro 673.2 million, of which Euro 420 million in share capital and Euro 209.7 million in distributable reserves, plus Euro 43.5 million in legal and share premium reserves.

For a detailed discussion of the results for the year ended December 31 2023, see page 20 of the Directors' Report in the 2023 financial statements, which can be found on the Issuer's website ['Investors/Financial Reports'](http://www.cirgroup.it).

### ***Financial Statements as of December 31 2023 - Foreword***

The following financial statements have been taken, for the sole purpose of inclusion in this Offer Document, from the accounting reports included in the Issuer's consolidated financial statements for the financial years ended December 31 2023 and December 31 2022.

The consolidated and separate financial statements for the financial years ended December 31 2023 and December 31 2022, prepared on a going concern basis, were drawn up in accordance with the International Financial Reporting Standards adopted by the European Union as well as the measures issued in implementation of Article 9 of Legislative Decree No. 38/05.

**(A) Consolidated statement of financial position of the CIR Group**

(in thousands of euro)

ASSETS	31.12.2023	31.12.2022
<b>NON-CURRENT ASSETS</b>	<b>2,198,637</b>	<b>2,274,387</b>
INTANGIBLE ASSETS AND GOODWILL	577,208	591,775
PROPERTY, PLANT AND EQUIPMENT	613,225	640,470
RIGHT-OF-USE ASSETS	821,368	845,241
INVESTMENT PROPERTY	2,426	2,554
EQUITY-ACCOUNTED INVESTMENTS	670	631
OTHER EQUITY INVESTMENTS	1,872	1,871
OTHER ASSETS	36,141	37,662
OTHER FINANCIAL ASSETS, INCLUDING DERIVATIVES	72,932	80,760
DEFERRED TAX ASSETS	72,795	73,423
<b>CURRENT ASSETS</b>	<b>1,021,650</b>	<b>995,598</b>
INVENTORIES	143,605	135,247
TRADE RECEIVABLES	254,658	248,147
OTHER ASSETS	67,254	68,638
of which with related parties	105	133
LOAN ASSETS	16,014	13,164
SECURITIES	74,806	69,483
OTHER FINANCIAL ASSETS, INCLUDING DERIVATIVES	315,322	241,243
CASH AND CASH EQUIVALENTS	149,991	219,676
<b>ASSETS HELD FOR SALE</b>	<b>10,976</b>	<b>36,082</b>
<b>TOTAL ASSETS</b>	<b>3,231,263</b>	<b>3,306,067</b>
LIABILITIES	31.12.2023	31.12.2022
<b>EQUITY</b>	<b>1,034,851</b>	<b>1,004,177</b>
SHARE CAPITAL	420,000	420,000
RESERVES	298,183	306,555
RETAINED EARNINGS	2,640	17,061
PROFIT (LOSS) FOR THE YEAR	32,792	(257)
<b>EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT</b>	<b>753,615</b>	<b>743,359</b>
EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	281,236	260,818
<b>NON-CURRENT LIABILITIES</b>	<b>1,375,533</b>	<b>1,534,320</b>
BONDS	79,870	151,304
OTHER FINANCIAL LIABILITIES	345,038	391,636
LEASE LIABILITIES	793,256	815,061
OTHER LIABILITIES	57,379	65,600
DEFERRED TAX LIABILITIES	48,172	48,326
EMPLOYEE BENEFITS	42,530	51,581
PROVISIONS	9,288	10,812
<b>CURRENT LIABILITIES</b>	<b>812,809</b>	<b>754,960</b>
BANK LOANS AND BORROWINGS	659	1,981
BONDS	72,166	23,551
OTHER FINANCIAL LIABILITIES	73,985	51,532
LEASE LIABILITIES	72,214	67,639
TRADE PAYABLES	326,252	352,104
OTHER LIABILITIES	217,002	206,526
PROVISIONS	50,531	51,627
<b>LIABILITIES RELATED TO ASSETS HELD FOR SALE</b>	<b>8,070</b>	<b>12,610</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>3,231,263</b>	<b>3,306,067</b>

**(B) Consolidated income statement of the CIR Group**

*(in thousands of euro)*

	2023	2022
REVENUE	2,379,836	2,226,838
CHANGE IN INVENTORIES	4,140	7,724
COSTS FOR THE PURCHASE OF GOODS	(979,350)	(966,367)
COSTS FOR SERVICES	(335,222)	(314,738)
PERSONNEL EXPENSE	(683,030)	(637,487)
OTHER OPERATING INCOME	33,931	47,556
<i>of which with related parties</i>	85	197
OTHER OPERATING EXPENSE	(68,065)	(67,368)
AMORTISATION, DEPRECIATION & IMPAIRMENT LOSSES	(206,051)	(212,280)
<b>OPERATING PROFIT</b>	<b>146,189</b>	<b>83,878</b>
FINANCIAL INCOME	20,478	8,905
FINANCIAL EXPENSE	(71,207)	(56,986)
DIVIDENDS	50	40
GAINS FROM SECURITIES TRADING	786	3,888
LOSSES FROM SECURITIES TRADING	(3,011)	(887)
SHARE OF PROFIT OF EQUITY-ACCOUNTED INVESTMENTS	40	9
NET FAIR VALUE GAINS (LOSSES) ON FINANCIAL ASSETS	4,765	(10,201)
<b>PROFIT BEFORE TAXES</b>	<b>98,090</b>	<b>28,646</b>
INCOME TAXES	(24,282)	(13,020)
<b>PROFIT FROM CONTINUING OPERATIONS</b>	<b>73,808</b>	<b>15,626</b>
LOSS FROM DISCONTINUED OPERATIONS	(6,893)	(726)
<b>PROFIT FOR THE YEAR INCLUDING NON-CONTROLLING INTERESTS</b>	<b>66,915</b>	<b>14,900</b>
- LOSS ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	(34,123)	(15,157)
<b>- PROFIT (LOSS) ATTRIBUTABLE TO THE OWNERS OF THE PARENT</b>	<b>32,792</b>	<b>(257)</b>
<b>BASIC EARNINGS PER SHARE (in euro)</b>	<b>0.0308</b>	<b>-0.0002</b>
<b>DILUTED EARNINGS PER SHARE (in euro)</b>	<b>0.0306</b>	<b>-0.0002</b>
<b>BASIC EARNINGS PER SHARE FROM CONTINUING OPERATIONS (in euro)</b>	<b>0.0693</b>	<b>0.0143</b>
<b>DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS (in euro)</b>	<b>0.0689</b>	<b>0.0143</b>

**(C) Consolidated comprehensive income statement of the CIR Group**

*(in thousands of euro)*

	2023	2022
<b>PROFIT FOR THE YEAR INCLUDING NON-CONTROLLING INTERESTS</b>	66,915	14,900
<b>OTHER COMPREHENSIVE INCOME</b>		
<i>ITEMS THAT WILL NEVER BE RECLASSIFIED TO PROFIT OR LOSS</i>		
- NET ACTUARIAL GAINS (LOSSES)	(1,370)	12,337
- TAX EFFECT OF ITEMS THAT WILL NEVER BE RECLASSIFIED TO PROFIT OR LOSS	(2,117)	(2,444)
<b>SUB-TOTAL OF ITEMS THAT WILL NEVER BE RECLASSIFIED TO PROFIT OR LOSS</b>	<b>(3,487)</b>	<b>9,893</b>
<i>ITEMS THAT MAY SUBSEQUENTLY BE RECLASSIFIED TO PROFIT OR LOSS</i>		
- EXCHANGE DIFFERENCES ON TRANSLATION OF FOREIGN OPERATIONS	(16,881)	(6,388)
- NET FAIR VALUE GAINS (LOSSES) ON CASH FLOW HEDGES	(2,499)	6,222
- OTHER COMPREHENSIVE INCOME (EXPENSE)	--	--
- TAX EFFECT OF ITEMS THAT MAY SUBSEQUENTLY BE RECLASSIFIED TO PROFIT OR LOSS	600	(1,493)
<b>SUB-TOTAL OF ITEMS THAT MAY SUBSEQUENTLY BE RECLASSIFIED TO PROFIT OR LOSS</b>	<b>(18,780)</b>	<b>(1,659)</b>
<b>OTHER COMPREHENSIVE INCOME (EXPENSE)</b>	<b>(22,267)</b>	<b>8,234</b>
<b>COMPREHENSIVE INCOME</b>	<b>44,648</b>	<b>23,134</b>
<b>COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>		
OWNERS OF THE PARENT	20,230	4,442
NON-CONTROLLING INTERESTS	24,418	18,692

**(D) Consolidated statement of changes in equity of the CIR Group**

	Attributable to the owners of the parent										Non-controlling interests	Total
	Share capital issued	Share premium	Legal reserve	Fair value reserve	Translation reserve	Stock option and stock grant reserve	Other reserves	Retained earnings	Profit (loss) for the year	Total		
<i>(in thousands of euro)</i>												
<b>BALANCE AT 31 DECEMBER 2021</b>	<b>638,604</b>	<b>5,044</b>	<b>25,516</b>	<b>(432)</b>	<b>(24,994)</b>	<b>2,711</b>	<b>68,755</b>	<b>7,204</b>	<b>17,981</b>	<b>740,389</b>	<b>242,335</b>	<b>982,724</b>
Increase (Decrease) in capital	(218,604)	--	--	--	--	--	218,604	--	--	--	--	--
Dividends to Shareholders	--	--	--	--	--	--	--	--	--	--	(2,657)	(2,657)
Allocation of the profit of the previous year	--	--	105	--	--	--	1,980	15,896	(17,981)	--	--	--
Fair value losses on treasury shares	--	--	--	--	--	--	--	(6,385)	--	(6,385)	--	(6,385)
Notional cost of share-based plans	--	--	--	--	--	1,365	--	--	--	1,365	--	1,365
Unclaimed dividends	--	--	--	--	--	--	171	--	--	171	--	171
Reclassifications	--	--	--	--	--	(346)	--	346	--	--	--	--
Effects of changes in equity attributable to subsidiaries	--	--	--	--	15	--	3,362	--	--	3,377	2,448	5,825
<i>Comprehensive income for the year</i>												
Fair value gains on cash flow hedges	--	--	--	2,676	--	--	--	--	--	2,676	2,053	4,729
Translation differences	--	--	--	--	(3,611)	--	--	--	--	(3,611)	(2,777)	(6,388)
Net actuarial gains	--	--	--	--	--	--	5,634	--	--	5,634	4,259	9,893
Profit (loss) for the year	--	--	--	--	--	--	--	--	(257)	(257)	15,157	14,900
<i>Comprehensive income (expense) for the year</i>	--	--	--	2,676	(3,611)	--	5,634	--	(257)	4,442	18,692	23,134
<b>BALANCE AT 31 DECEMBER 2022</b>	<b>420,000</b>	<b>5,044</b>	<b>25,621</b>	<b>2,244</b>	<b>(28,590)</b>	<b>3,730</b>	<b>298,506</b>	<b>17,061</b>	<b>(257)</b>	<b>743,359</b>	<b>260,818</b>	<b>1,004,177</b>
<b>BALANCE AT 31 DECEMBER 2022</b>	<b>420,000</b>	<b>5,044</b>	<b>25,621</b>	<b>2,244</b>	<b>(28,590)</b>	<b>3,730</b>	<b>298,506</b>	<b>17,061</b>	<b>(257)</b>	<b>743,359</b>	<b>260,818</b>	<b>1,004,177</b>
Increase (Decrease) in capital	--	--	--	--	--	--	--	--	--	--	--	--
Dividends to Shareholders	--	--	--	--	--	--	--	--	--	--	(6,808)	(6,808)
Allocation of the profit of the previous year	--	--	152	--	--	--	2,892	(3,301)	257	--	--	--
Fair value losses on treasury shares	--	--	--	--	--	--	(2,391)	(11,644)	--	(14,035)	--	(14,035)
Notional cost of share-based plans	--	--	--	--	--	1,310	--	--	--	1,310	--	1,310
Unclaimed dividends	--	--	--	--	--	--	49	--	--	49	--	49
Reclassifications	--	--	--	--	--	(576)	52	524	--	--	--	--
Effects of changes in equity attributable to subsidiaries	--	--	--	(9)	100	--	2,611	--	--	2,702	2,808	5,510
<i>Comprehensive income for the year</i>												
Fair value losses on cash flow hedges	--	--	--	(1,069)	--	--	--	--	--	(1,069)	(830)	(1,899)
Translation differences	--	--	--	--	(9,516)	--	--	--	--	(9,516)	(7,365)	(16,881)
Net actuarial losses	--	--	--	--	--	--	(1,977)	--	--	(1,977)	(1,510)	(3,487)
Profit for the year	--	--	--	--	--	--	--	--	32,792	32,792	34,123	66,915
<i>Comprehensive income (expense) for the year</i>	--	--	--	(1,069)	(9,516)	--	(1,977)	--	32,792	20,230	24,418	44,648
<b>BALANCE AT 31 DECEMBER 2023</b>	<b>420,000</b>	<b>5,044</b>	<b>25,773</b>	<b>1,166</b>	<b>(38,006)</b>	<b>4,464</b>	<b>299,742</b>	<b>2,640</b>	<b>32,792</b>	<b>753,615</b>	<b>281,236</b>	<b>1,034,851</b>



**(E) Consolidated statement of cash flow of the CIR Group**

*(in thousands of euro)*

	2023	2022
<b>OPERATING ACTIVITIES</b>		
PROFIT FOR THE YEAR	66,915	14,900
(PROFIT) LOSS FROM DISCONTINUED OPERATIONS	6,893	(712)
ADJUSTMENTS:		
- AMORTISATION, DEPRECIATION & IMPAIRMENT LOSSES	206,051	213,989
- ADJUSTMENT OF EQUITY-ACCOUNTED INVESTMENTS	(40)	(9)
- MEASUREMENT OF STOCK OPTION AND STOCK GRANT PLANS	1,732	1,713
- CHANGES IN EMPLOYEE BENEFIT OBLIGATIONS, PROV. FOR RISKS & CHARGES	(13,041)	(18,864)
- FAIR VALUE GAINS (LOSSES) ON FINANCIAL ASSETS	(5,061)	10,201
- GAINS ON DISPOSAL OF NON-CURRENT ASSETS	(341)	(1,749)
- OTHER NON-MONETARY CHANGES	(8,735)	(11,916)
- INCREASE (DECREASE) IN NON-CURRENT ASSETS/LIABILITIES	(83)	8,361
- INCREASE IN NET WORKING CAPITAL	(40,719)	(9,786)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>213,571</b>	<b>206,128</b>
of which:		
- interest paid	(35,530)	(19,529)
- income tax paid	(18,855)	(25,552)
<b>INVESTING ACTIVITIES</b>		
CONSIDERATION PAID FOR BUSINESS COMBINATIONS	(1,300)	(4,081)
NET FINANCIAL POSITION OF ACQUIRED COMPANIES	1,131	405
CHANGE IN OTHER FINANCIAL ASSETS AND LOAN ASSETS	(3,837)	(7,947)
(PURCHASE) SALE OF SECURITIES	(65,565)	4,933
SALE OF NON-CURRENT ASSETS	4,382	1,293
PURCHASE OF NON-CURRENT ASSETS	(102,001)	(135,342)
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<b>(167,190)</b>	<b>(140,739)</b>
<b>FINANCING ACTIVITIES</b>		
PROCEEDS FROM CAPITAL INCREASES	--	--
CLOSING OF OTHER LOANS AND BORROWINGS	(47,497)	(85,690)
REPAYMENT OF LEASE LIABILITIES	(68,160)	(62,433)
REPURCHASE OF TREASURY SHARES OF GROUP COMPANIES	(14,035)	(6,385)
DIVIDENDS PAID	(6,808)	(2,657)
<b>CASH FLOWS USED IN FINANCING ACTIVITIES</b>	<b>(136,500)</b>	<b>(157,165)</b>
<b>DECREASE IN NET CASH &amp; CASH EQUIVALENTS OF CONTINUING OPERATIONS</b>	<b>(90,119)</b>	<b>(91,776)</b>
<b>OPENING CASH FLOWS/NET CASH &amp; CASH EQUIVALENTS FROM DISCONTINUED OPERATIONS</b>	<b>21,756</b>	<b>5,000</b>
<b>DECREASE IN NET CASH &amp; CASH EQUIVALENTS</b>	<b>(68,363)</b>	<b>(86,776)</b>
<b>OPENING NET CASH &amp; CASH EQUIVALENTS</b>	<b>217,695</b>	<b>304,471</b>
<b>CLOSING NET CASH &amp; CASH EQUIVALENTS</b>	<b>149,332</b>	<b>217,695</b>

**(F) Consolidated net financial position of the CIR Group, pursuant to Consob Communication no. 6064293 of July 28 2006, as recalled by ESMA Communication No. ESMA32-382-1138 of March 4 2021.**

<i>(in thousands of Euro)</i>	<b>31.12.2023</b>	<b>31.12.2022</b>
A. Cash	149,991	219,676
B. Cash equivalents	315,322	241,243
C. Other current financial assets	90,820	82,647
<b>D. Cash and cash equivalents (A) + (B) + (C)</b>	<b>556,133</b>	<b>543,566</b>
E. Current financial indebtedness	72,825	25,532
F. Current portion of non-current debt	146,199	119,171
<b>G. Current financial indebtedness (E) + (F)</b>	<b>219,024</b>	<b>144,703</b>
<b>H. NET CURRENT FINANCIAL INDEBTEDNESS (G) - (D)</b>	<b>(337,109)</b>	<b>(398,863)</b>
I. Non-current financial indebtedness	1,138,294	1,206,697
J. Debt instruments	79,870	151,304
K. Trade payables and other non-current liabilities	--	--
<b>L. Non-current financial indebtedness (I) + (J) + (K)</b>	<b>1,218,164</b>	<b>1,358,001</b>
<b>M. NET FINANCIAL INDEBTEDNESS (H) + (L)</b>	<b>881,055</b>	<b>959,138</b>
<b>Other non-current financial assets</b>	<b>(9,532)</b>	<b>(8,545)</b>
<b>NET FINANCIAL INDEBTEDNESS (as per the "Net Financial Position stated in the tables in the Directors' Report)</b>	<b>871,523</b>	<b>950,593</b>

A) "Cash and cash equivalents" in Current Assets;

B) "Other financial assets, including derivatives" in Current Assets;

C) "Financial receivables" and "Securities" in Current Assets;

E) "Bank loans" and 'Bonds' in Current Liabilities;

F) "Other financial liabilities" and "Financial liabilities for rights of use" in Current Liabilities;

I) "Other financial liabilities" and "Financial liabilities for right of use" in Non-current Liabilities;

J) 'Bonds' in Non-current Liabilities.

**(G) Related party transactions for the financial year 2023**

<i>(thousands of Euro)</i>	<b>Other operating income</b>	<b>Other receivables - Current assets</b>
Subsidiaries	85	--
Associates	--	105

For further details on balance sheet and income statement items, see the notes to the consolidated financial statements of the CIR Group from page 47 to page 126 of the "Financial Statements 2023" available in the "Investors/Financial Reports" section on the Company's website [www.cirgroup.it](http://www.cirgroup.it).

**b) Operating Performance and financial statements for the First Half of 2024**

*On 31 May, the subsidiary Sogefi completed the sale of the Filtration division. The figures for 2023 have therefore been reclassified in application of IFRS 5 ("Non-current assets held for sale and discontinued operations").*

In the first half of 2024, the CIR group reported a significant improvement in the results of its continuing operations and concluded extraordinary asset disposal transactions that generated very significant capital gains and cash flows.

Specifically, the group reported a **profit of Euro 114.3 million**, compared to a profit of Euro 14.0 million in the first half of 2023, and a **free cash flow of Euro 365.1 million**, before dividend distribution and Own Share buyback.

With regard to **continuing operations**:

- **consolidated revenue** amounted to Euro 928.2 million, up 2% compared to the first half of 2023; KOS reported revenue up 9.0%, while Sogefi reported revenue down 2.7%;
- **consolidated operating profit (EBIT)** was equal to Euro 49.5 million, compared to Euro 28.6 million in the first half of 2023, following the trend in EBITDA.
- **profit** stood at Euro 27.7 million and at Euro 19.8 million net of minority interests (compared to a loss of Euro 3.2 million in the first half of 2023); all the businesses making up the group reported improved results, the subsidiaries Sogefi and KOS and the financial management performed by CIR Investimenti and CIR International.
- **free cash flow** amounted to Euro 31.0 million, before application of IFRS 16, dividends and buy back of Own Shares.

With regard to **the results of assets sold**:

- on June 25 2024, the **sale of the residential complex located at Via dell'Orso 8, Milan** was finalised, for a total consideration of Euro 38 million, of which Euro 7 million collected in

previous years as a deposit, recording a capital gain, net of transaction costs and taxes, of Euro 18.9 million;

- on May 31, the subsidiary Sogefi completed the **sale of the Filtration division**, as part of a strategy to enhance the business after very significant growth in results, reduce the group's exposure to activities that are difficult to convert to e-mobility technologies, reduce the group's debt and ensure the investment capacity required to complete the turnaround of the Suspension business and to develop Air & Cooling products for e-mobility. The consideration was Euro 331.2 million and the free cash flow (before IFRS 16) of the transaction amounted to Euro 316.5, net of cash transferred, deal costs and tax charges arising from the transaction, and Euro 303.1, also taking into account the free cash flow (negative by Euro 13.4 million) generated by the business between January and May 2024. The transaction produced a net capital gain of Euro 114.2 million, of which Euro 64.3 million pertaining to CIR;
- the **contribution to the profit of discontinued operations**, including Filtration's profit for the year, was Euro 154.1 million and Euro 94.5 million for the portion held by CIR;
- **free cash flow** of discontinued operations, before IFRS 16, including Filtration's operating free cash flow in the first 5 months of 2024, amounted to Euro 334.1 million.

As of June 30 2024 the group had a **consolidated net financial position before IFRS 16** of Euro 316.2 million, compared to a net debt of Euro 17.8 million as of December 31 2023 and of Euro 32.8 million as of June 30 2023, thanks to the free cash flow of Euro 365.1 million and after disbursements in dividends and buy back of Own Shares of Euro 31.1 million.

The **net financial position** of the Parent (including the subsidiaries CIR Investimenti and CIR International) was positive, equal to Euro 369.8 million; the increase compared to December 31 2023, when the NFP was equal to Euro 314.4 million, is mainly due to collection of the balance for the sale of the real estate complex (Euro 31.0 million) and of dividends distributed by the subsidiaries KOS and Sogefi (Euro 20.3 million).

The **total net debt of the subsidiaries KOS and Sogefi before IFRS 16** amounted to Euro 53.6 million, down by approximately Euro 279 million compared to December 31 2023 (Euro 332.2 million) and by approximately Euro 293 million compared to 30 June 2023 (Euro 346.8 million).

In accordance with IFRS 16, as of June 30 2023, **financial liabilities for rights of use** amounted to Euro 848.8 million and are chiefly attributable to the rental of the properties where KOS carries on its business (Euro 802.8 million), as it mainly operates in rented properties.

Thus, the total **consolidated net financial debt** as of June 30 2024 was Euro 532.6 million (Euro 871.5 million as of December 31 2023).

**Equity** attributable to the owners of the parent as of June 30 2024 came to Euro 863.3 million, compared to Euro 753.6 million at December 31 2023, increasing by Euro 109.7 million.

## **KOS**

In the first half of 2024 KOS recorded an increase in **revenue** of 9.0%, due to the increased saturation in residential care homes in both Italy and Germany.

In Italy, residential care homes recorded an increase in revenue of 11.6%, with an average saturation of 91%, including start-up facilities, and of 93.2% for established facilities, a rate approaching the one recorded before the pandemic crisis. The expected return to full operations during 2024 is therefore confirmed.

In Germany revenue increased by 14.2%, with the average saturation in the first half of the year remaining lower than in Italy, 90%, but the trend is positive, with a growth of 5 percentage points compared to the first half of 2023. Revenue growth also reflects ongoing adjustments to tariffs to cover the effects of cost inflation in the three-year period 2021-2023.

The Rehabilitation and Psychiatry sector, which had already recovered normal activity levels in 2023, grew by 4.1%, thanks to the increase in services to contracted patients in certain regions.

**EBIT** amounted to Euro 27.9 million, or 6.9% of revenue, compared to Euro 20.8 million, 5.6% of revenue, in the first half of 2023. The increase in the operating profit was the result of the increase in activity and the gradual adjustment of tariffs, especially in Germany, which as yet is still not sufficient to cover the effects of the cost inflation recorded in previous years. The group has established a plan for the progressive recovery of profitability, involving gradual light-handed tariff adjustments, operational efficiency, improvement of the quality of the facilities portfolio, and ramp-up of green fields; performance is currently in line with the plan.

The **net profit** was equal to Euro 5.0 million, compared to + Euro 0.8 million in the first half of 2023.

The operating **free cash flow**, before the application of IFRS 16, was balanced, negatively affected by the increase in working capital of Euro 17.3 million, attributable to the increase in receivables from the public administration, in line with the growth in revenues and a recurring interim trend.

**Net debt** at the end of June 2024 increased by Euro 17.5 million, excluding payables resulting from the application of IFRS 16, to Euro 149.3 million, compared to Euro 131.9 million as of December 31 2023, due to development investments of Euro 4.7 million and dividends of Euro 12.3 million, of which Euro 6.9 million were paid to CIR.

Net debt including liabilities for right-of-use assets as of June 30 2024 amounted to Euro 952.1 million, compared to Euro 920.7 as of December 31 2023.

## Sogefi

In the first half of 2024, against a backdrop of stability in car production worldwide, but of decline in the European (-5.2%) and South American (-7.1%) markets, the consolidated **revenue** of the Sogefi Group (referring only to continuing operations, excluding the Filtration business unit, which was treated in accordance with IFRS 5 following the sale agreement) amounted to Euro 524.1 million, down by 2.7% compared to the first half of 2023, mainly due to the poor performance recorded in Europe (-6.3%), as a result of the market downturn, and in North America (-2.6%), while in South America, China and India revenue grew by 2.6%, 16.2% and 10.3% respectively, outperforming the market.

**EBIT**, equal to Euro 27.8 million, recorded an increase on the first half of 2023 (Euro 13.8 million), with an EBIT margin of 5.3% of revenue, compared to 2.6% in first half 2023.

**The net profit** from continuing operations was equal to Euro 9.4 million, compared to Euro 2.1 million in the first half of 2023; the net profit from discontinued operations amounted to Euro 136.4 million, including the net profit of the Filtration business unit in the first five months of 2024 and the capital gain generated by the sale, net of tax charges and transaction costs; total net profit was therefore equal to Euro 145.8 million (Euro 31.4 million in the first half of 2023).

The **free cash flow**, before application of IFRS 16, was positive by Euro 323.1 million and includes a free cash flow of Euro 303.1 million from Filtration and of Euro 20.0 million generated by continuing operations (Euro -3.1 million in first half 2023).

The **net financial position before IFRS 16** as of June 30 2024 was Euro 95.3 million, compared to net debt of Euro 200.7 million as of December 31 2023, after payment of a total of Euro 27.1 million in dividends, of which Euro 13.4 million to CIR.

The net financial position at the end of June 2024 including liabilities for right-of-use assets amounted to Euro 48.8 million, compared to a net debt of Euro 266.1 million as of December 31 2023.

Following the resolution adopted by the General Meeting held on July 17 2024, an extraordinary dividend totalling approximately Euro 110 million was paid on July 24 2024, reducing the Group's net financial position by the same amount.

## Financial management

In the first half of the year, financial markets performed positively in all sectors and bond yields were positive, thanks to the interest rate hikes implemented by central banks in previous years to counter inflation.

The **management of financial assets** mainly performed by CIR Investimenti and CIR International recorded positive net financial income of Euro 17.5 million, compared to Euro 0.9 million in the first

half of 2023. More specifically, the return on 'readily marketable' assets (shares, bonds, hedge funds) was Euro 8.6 million, 2.6%, while the private equity portfolio recorded a profit of Euro 5.4 million, 9.3%, and the holdings contributed a positive Euro 3.5 million.

***Financial statements as of June 30 2024 - Foreword***

The following statements have been taken, for the sole purpose of inclusion in this Offer Document, from the accounting reports included in the Issuer's condensed interim consolidated financial statements as of June 30 2024.

The condensed interim consolidated financial statements as of June 30 2024, prepared on a going concern basis, were drawn up in accordance with the International Financial Reporting Standards adopted by the European Union as well as the provisions issued in implementation of Article 9 of Legislative Decree No. 38/05.

The figures for the first half of 2023 have been restated in order to apply IFRS 5 ("Non-current assets held for sale and discontinued operations") to the Sogefi group, with reference to the assets of the Filtration sector, following completion of the sale of the shares of the companies belonging to this sector in May 2024.

Therefore, the following entries have been made in the consolidated financial statements as of June 30 2024:

- in the income statement and the statement of comprehensive income as of June 30 2024 and for comparative purposes as of June 30 2023, the items of revenue and income, costs and charges and the capital gain recorded with the sale, less the sale costs relating to the Discontinued Operations have been reclassified to "Profit (Loss) from discontinued operations";
- in the statement of cash flows for the period ended June 30 2024, and for comparative purposes June 30 2023, the individual flows generated by the activities constituting the Discontinued Operations have been reclassified to "Cash flow generated by assets held for sale" excluding from the cash flow generated by continuing operations the effects of the flows of the Discontinued Operations.

**(A) Consolidated statement of financial position of the CIR Group**

*(in thousands of euro)*

	<b>30.06.2024</b>	<b>31.12.2023</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>	<b>1,961,272</b>	<b>2,198,637</b>
INTANGIBLE ASSETS AND GOODWILL	482,018	577,208
PROPERTY, PLANT AND EQUIPMENT	511,690	613,225
RIGHT-OF-USE ASSETS	815,950	821,368
INVESTMENT PROPERTY	2,366	2,426
EQUITY-ACCOUNTED INVESTMENTS	670	670
OTHER EQUITY INVESTMENTS	1,828	1,872
OTHER ASSETS	17,426	36,141
OTHER FINANCIAL ASSETS, INCLUDING DERIVATIVES	65,098	72,932
DEFERRED TAX ASSETS	64,226	72,795
<b>CURRENT ASSETS</b>	<b>1,108,211</b>	<b>1,021,650</b>
INVENTORIES	87,881	143,605
TRADE RECEIVABLES	211,547	254,658
OTHER ASSETS	65,688	67,254
LOAN ASSETS	15,255	16,014
SECURITIES	135,591	74,806
OTHER FINANCIAL ASSETS, INCLUDING DERIVATIVES	415,742	315,322
CASH AND CASH EQUIVALENTS	176,507	149,991
<b>ASSETS HELD FOR SALE</b>	<b>--</b>	<b>10,976</b>
<b>TOTAL ASSETS</b>	<b>3,069,483</b>	<b>3,231,263</b>
<b>LIABILITIES</b>		
<b>EQUITY</b>	<b>1,195,673</b>	<b>1,034,851</b>
SHARE CAPITAL	420,000	420,000
RESERVES	282,823	298,183
RETAINED EARNINGS	46,157	2,640
PROFIT FOR THE PERIOD	114,269	32,792
<b>EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT</b>	<b>863,249</b>	<b>753,615</b>
EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	332,424	281,236
<b>NON-CURRENT LIABILITIES</b>	<b>1,166,180</b>	<b>1,375,533</b>
BONDS	35,063	79,870
OTHER FINANCIAL LIABILITIES	213,825	345,038
LEASE LIABILITIES	788,709	793,256
OTHER LIABILITIES	41,454	57,379
DEFERRED TAX LIABILITIES	43,417	48,172
EMPLOYEE BENEFITS	36,579	42,530
PROVISIONS	7,133	9,288
<b>CURRENT LIABILITIES</b>	<b>705,396</b>	<b>812,809</b>
BANK LOANS AND BORROWINGS	406	659
BONDS	118,631	72,166
OTHER FINANCIAL LIABILITIES	53,569	73,985
LEASE LIABILITIES	71,169	72,214
TRADE PAYABLES	250,248	326,252
OTHER LIABILITIES	169,760	217,002
PROVISIONS	41,613	50,531
<b>LIABILITIES RELATED TO ASSETS HELD FOR SALE</b>	<b>2,234</b>	<b>8,070</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>3,069,483</b>	<b>3,231,263</b>



**(B) Consolidated income statement of the CIR Group**

*(in thousands of euro)*

	<i>1st half 2024</i>	<i>1st half 2023(*)</i>
REVENUE	928,182	909,568
CHANGE IN INVENTORIES	(1,643)	5,673
COSTS FOR THE PURCHASE OF GOODS	(326,392)	(353,128)
COSTS FOR SERVICES	(135,922)	(141,383)
PERSONNEL EXPENSES	(309,944)	(300,188)
OTHER OPERATING INCOME	8,333	20,333
OTHER OPERATING COSTS	(28,179)	(29,538)
AMORTISATION, DEPRECIATION & IMPAIRMENT LOSSES	(84,956)	(82,774)
<b>OPERATING PROFIT</b>	<b>49,479</b>	<b>28,563</b>
FINANCIAL INCOME	12,886	7,407
FINANCIAL EXPENSE	(35,743)	(31,858)
DIVIDENDS	22	27
GAINS FROM SECURITIES TRADING	5,166	872
LOSSES FROM SECURITIES TRADING	(2,256)	(382)
SHARE OF PROFIT (LOSS) OF EQUITY-ACCOUNTED INVESTMENTS	--	--
NET FAIR VALUE LOSSES ON FINANCIAL ASSETS	11,060	(359)
<b>PROFIT BEFORE TAXES</b>	<b>40,614</b>	<b>4,270</b>
INCOME TAXES	(12,942)	(4,567)
<b>PROFIT (LOSS) FROM CONTINUING OPERATIONS</b>	<b>27,672</b>	<b>(297)</b>
PROFIT FROM DISCONTINUED OPERATIONS	154,149	30,437
<b>PROFIT FOR THE PERIOD INCLUDING NON-CONTROLLING INTERESTS</b>	<b>181,821</b>	<b>30,140</b>
- PROFIT ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	(67,552)	(16,193)
<b>- PROFIT ATTRIBUTABLE TO THE OWNERS OF THE PARENT</b>	<b>114,269</b>	<b>13,947</b>
<b>BASIC EARNINGS PER SHARE (in euro)</b>	<b>0.1088</b>	<b>0.0130</b>
<b>DILUTED EARNINGS PER SHARE (in euro)</b>	<b>0.1081</b>	<b>0.0129</b>
<b>BASIC EARNINGS PER SHARE FROM CONTINUING OPERATIONS (IN EURO)</b>	<b>0.0264</b>	<b>(0.0003)</b>
<b>DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS (IN EURO)</b>	<b>0.0262</b>	<b>(0.0003)</b>

*(\*) Values for H1 2023, relating to "Assets held for sale", were reclassified following the application of IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" to the line "Profit from discontinued operations".*

**(C) Consolidated comprehensive income statement of the CIR Group**

*(in thousands of euro)*

	<i>1st half 2024</i>	<i>1st half 2023</i>
<b>PROFIT FOR THE PERIOD INCLUDING NON-CONTROLLING INTERESTS</b>	<b>181,821</b>	<b>30,140</b>
<b>OTHER COMPREHENSIVE INCOME</b>		
<i>ITEMS THAT WILL NEVER BE RECLASSIFIED TO PROFIT OR LOSS</i>		
- NET ACTUARIAL GAINS	1,372	798
- TAX EFFECT OF ITEMS THAT WILL NEVER BE RECLASSIFIED TO PROFIT OR LOSS	(347)	(163)
<b>SUB-TOTAL OF ITEMS THAT WILL NEVER BE RECLASSIFIED TO PROFIT OR LOSS</b>	<b>1,025</b>	<b>635</b>
<i>ITEMS THAT MAY SUBSEQUENTLY BE RECLASSIFIED TO PROFIT OR LOSS</i>		
- EXCHANGE DIFFERENCES ON TRANSLATION OF FOREIGN OPERATIONS	4,487	(8,483)
- NET FAIR VALUE LOSSES ON CASH FLOW HEDGES	(2,736)	(424)
- OTHER COMPREHENSIVE INCOME (EXPENSE)	--	--
- TAX EFFECT OF ITEMS THAT MAY SUBSEQUENTLY BE RECLASSIFIED TO PROFIT OR LOSS	656	101
<b>SUB-TOTAL OF ITEMS THAT MAY SUBSEQUENTLY BE RECLASSIFIED TO PROFIT OR LOSS</b>	<b>2,407</b>	<b>(8,806)</b>
<b>OTHER COMPREHENSIVE INCOME (EXPENSE)</b>	<b>3,432</b>	<b>(8,171)</b>
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>185,253</b>	<b>21,969</b>
<b>COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO:</b>		
OWNERS OF THE PARENT	116,186	9,312
NON-CONTROLLING INTERESTS	69,067	12,657

**(D) Consolidated statement of changes in equity of the CIR Group**

	Attributable to the owners of the parent										Non-controlling interests	Total
	Share capital issued	Share premium	Legal reserve	Fair value reserve	Translation reserve	Stock option and stock grant reserve	Other reserves	RETAINED EARNINGS	Profit (loss) for the period/year	Total		
<i>(in thousands of euro)</i>												
<b>BALANCE AT 31 December 2022</b>	<b>420,000</b>	<b>5,044</b>	<b>25,621</b>	<b>2,244</b>	<b>(28,590)</b>	<b>3,730</b>	<b>298,506</b>	<b>17,061</b>	<b>(257)</b>	<b>743,359</b>	<b>260,818</b>	<b>1,004,177</b>
Increase (Decrease) in capital	--	--	--	--	--	--	--	--	--	--	--	--
Dividends to Shareholders	--	--	--	--	--	--	--	--	--	--	(6,808)	(6,808)
Allocation of the profit of the previous year	--	--	152	--	--	--	2,893	(3,302)	257	--	--	--
Fair value losses on treasury shares	--	--	--	--	--	--	--	(7,738)	--	(7,738)	--	(7,738)
Notional cost of share-based plans	--	--	--	--	--	642	--	--	--	642	--	642
Reclassifications	--	--	--	--	--	(538)	52	486	--	--	--	--
Effects of changes in equity attributable to subsidiaries	--	--	--	(3)	33	--	1,713	--	--	1,743	2,019	3,762
<i>Comprehensive income for the period</i>												
Fair value losses on cash flow hedges	--	--	--	(182)	--	--	--	--	--	(182)	(141)	(323)
Translation differences	--	--	--	--	(4,812)	--	--	--	--	(4,812)	(3,671)	(8,483)
Net actuarial gains	--	--	--	--	--	--	359	--	--	359	276	635
Profit for the period	--	--	--	--	--	--	--	--	13,947	13,947	16,193	30,140
<i>Comprehensive income for the period</i>	--	--	--	(182)	(4,812)	--	359	--	13,947	9,312	12,657	21,969
<b>BALANCE AT 30 June 2023</b>	<b>420,000</b>	<b>5,044</b>	<b>25,773</b>	<b>2,059</b>	<b>(33,369)</b>	<b>3,834</b>	<b>303,523</b>	<b>6,507</b>	<b>13,947</b>	<b>747,318</b>	<b>268,686</b>	<b>1,016,004</b>
<b>BALANCE AT 31 December 2023</b>	<b>420,000</b>	<b>5,044</b>	<b>25,773</b>	<b>1,166</b>	<b>(38,006)</b>	<b>4,464</b>	<b>299,742</b>	<b>2,640</b>	<b>32,792</b>	<b>753,615</b>	<b>281,236</b>	<b>1,034,851</b>
Increase (Decrease) in capital	--	--	--	--	--	--	--	--	--	--	--	--
Dividends to Shareholders	--	--	--	--	--	--	--	--	--	--	(19,154)	(19,154)
Allocation of the profit of the previous year	--	--	--	--	--	--	(6,720)	39,512	(32,792)	--	--	--
Fair value losses on treasury shares	--	--	--	--	--	--	(11,992)	--	--	(11,992)	--	(11,992)
Notional cost of share-based plans	--	--	--	--	--	655	--	--	--	655	--	655
Reclassifications	--	--	--	--	--	(889)	(3,116)	4,005	--	--	--	--
Effects of changes in equity attributable to subsidiaries	--	--	--	1	52	--	4,732	--	--	4,785	1,275	6,060
<i>Comprehensive income for the period</i>												
Fair value losses on cash flow hedges	--	--	--	(1,170)	--	--	--	--	--	(1,170)	(910)	(2,080)
Translation differences	--	--	--	--	2,510	--	--	--	--	2,510	1,977	4,487
Net actuarial gains	--	--	--	--	--	--	577	--	--	577	448	1,025
Profit for the period	--	--	--	--	--	--	--	--	114,269	114,269	67,552	181,821
<i>Comprehensive income for the period</i>	--	--	--	(1,170)	2,510	--	577	--	114,269	116,186	69,067	185,253
<b>BALANCE AT 30 June 2024</b>	<b>420,000</b>	<b>5,044</b>	<b>25,773</b>	<b>(3)</b>	<b>(35,444)</b>	<b>4,230</b>	<b>283,223</b>	<b>46,157</b>	<b>114,269</b>	<b>863,249</b>	<b>332,424</b>	<b>1,195,673</b>

**(E) Consolidated statement of cash flow of the CIR Group**

*(in thousands of euro)*

	<b>1st half 2024</b>	<b>1st half 2023(*)</b>
<b>OPERATING ACTIVITIES</b>		
PROFIT FOR THE PERIOD	181,821	30,140
PROFIT FROM DISCONTINUED OPERATIONS	(154,149)	(30,437)
ADJUSTMENTS:		
- AMORTISATION, DEPRECIATION & IMPAIRMENT LOSSES	84,956	82,774
- MEASUREMENT OF STOCK OPTION AND STOCK GRANT PLANS	923	913
- CHANGES IN EMPLOYEE BENEFIT OBLIGATIONS, PROV. FOR RISKS & CHARGES	(4,993)	(711)
- FAIR VALUE (GAINS) LOSSES ON FINANCIAL ASSETS	(11,060)	359
- GAINS ON DISPOSAL OF NON-CURRENT ASSETS	(2,811)	(548)
- OTHER NON-MONETARY CHANGES	(3,148)	(8,225)
- INCREASE (DECREASE) IN NON-CURRENT ASSETS/LIABILITIES	(2,513)	(6,289)
- (INCREASE) DECREASE IN NET WORKING CAPITAL	(23,154)	(22,223)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>65,872</b>	<b>45,753</b>
of which:		
- interest received (paid)	(10,849)	(8,523)
- income tax paid	(6,164)	(5,339)
<b>INVESTING ACTIVITIES</b>		
CONSIDERATION PAID FOR BUSINESS COMBINATIONS	--	(1,300)
NET FINANCIAL POSITION OF ACQUIRED COMPANIES	--	1,131
CHANGE IN OTHER FINANCIAL ASSETS AND LOAN ASSETS	4,637	(51,934)
(PURCHASE) SALE OF SECURITIES	(152,718)	24,535
SALE OF NON-CURRENT ASSETS	12,421	5,277
PURCHASE OF NON-CURRENT ASSETS	(43,837)	(25,073)
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<b>(179,497)</b>	<b>(47,364)</b>
<b>FINANCING ACTIVITIES</b>		
SETTLEMENT OF OTHER LOANS AND BORROWINGS	(150,662)	(2,115)
REPAYMENT OF LEASE LIABILITIES	(34,342)	(29,401)
REPURCHASE OF TREASURY SHARES OF GROUP COMPANIES	(11,992)	(7,738)
DIVIDENDS PAID	(19,154)	(508)
<b>CASH FLOWS USED IN FINANCING ACTIVITIES</b>	<b>(216,150)</b>	<b>(39,762)</b>
<b>INCREASE (DECREASE) IN NET CASH &amp; CASH EQUIVALENTS OF CONTINUING OPERATIONS</b>	<b>(329,775)</b>	<b>(41,373)</b>
<b>OPENING CASH FLOWS/NET CASH &amp; CASH EQUIVALENTS FROM DISCONTINUED OPERATIONS</b>	<b>356,544</b>	<b>55,102</b>
<b>INCREASE (DECREASE) IN NET CASH &amp; CASH EQUIVALENTS</b>	<b>26,769</b>	<b>13,729</b>
<b>OPENING NET CASH &amp; CASH EQUIVALENTS</b>	<b>149,332</b>	<b>217,695</b>
<b>CLOSING NET CASH &amp; CASH EQUIVALENTS</b>	<b>176,101</b>	<b>231,424</b>

(\*) Values for H1 2023, relating to "Assets held for sale", were reclassified following the application of IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" to the line "Profit from discontinued operations".

**(F) Consolidated net financial position of the CIR Group, pursuant to Consob communication no. 6064293 of July 28 2006, as recalled by ESMA communication no. ESMA32-382-1138 of March 4 2021.**

<i>(in thousands of Euro)</i>	<b>30.06.2024</b>	<b>31.12.2023</b>
A. Cash	176,507	149,991
B. Cash equivalents	415,742	315,322
C. Other current financial assets	150,846	90,820
<b>D. Cash and cash equivalents (A) + (B) + (C)</b>	<b>743,095</b>	<b>556,133</b>
E. Current financial indebtedness	119,037	72,825
F. Current portion of non-current debt	124,738	146,199
<b>G. Current financial indebtedness (E) + (F)</b>	<b>243,775</b>	<b>219,024</b>
<b>H. NET CURRENT FINANCIAL INDEBTEDNESS (G) - (D)</b>	<b>(499,320)</b>	<b>(337,109)</b>
I. Non-current financial indebtedness	1,002,534	1,138,294
J. Debt instruments	35,063	79,870
K. Trade payables and other non-current liabilities	--	--
<b>L. Non-current financial indebtedness (I) + (J) + (K)</b>	<b>1,037,597</b>	<b>1,218,164</b>
<b>M. NET FINANCIAL INDEBTEDNESS (H) + (L)</b>	<b>538,277</b>	<b>881,055</b>
<b>Other non-current financial assets</b>	<b>(5,654)</b>	<b>(9,532)</b>
<b>NET FINANCIAL INDEBTEDNESS (as per the "Net Financial Position stated in the tables in the Directors' Report)</b>	<b>532,623</b>	<b>871,523</b>

A) "Cash and cash equivalents" in Current Assets;

B) "Other financial assets, including derivatives" in Current Assets;

C) "Financial receivables" and "Securities" in Current Assets;

E) "Bank loans" and 'Bonds' in Current Liabilities;

F) "Other financial liabilities" and "Financial liabilities for rights of use" in Current Liabilities;

I) "Other financial liabilities" and "Financial liabilities for right of use" in Non-current Liabilities;

J) 'Bonds' in Non-current Liabilities.

**(G) Related party transactions in the first half of 2024**

<i>(thousands of Euro)</i>	<b>Other operating income</b>	<b>Other operating expense</b>	<b>Other receivables Current assets</b>	<b>Trade payables Current liabilities</b>
Subsidiaries	44	--	--	--
Associates	--	--	105	--
Other related parties	--	(300)	--	(300)

For further details on balance sheet and income statement items, see the notes to the consolidated financial statements of the CIR Group from page 35 to page 80 of the "Interim Financial Report as of June 30 2024" available in the "*Investors/Financial Reports*" section on the Company's website [www.cirgroup.it](http://www.cirgroup.it).

**c) Recent information**

As far as both the parent and its subsidiaries KOS and Sogefi are concerned, after the end of the first half 2024 there were no significant events that could affect the economic, equity and financial information reported in the Interim Financial Report as of June 30 2024, other than the payment by Sogefi S.p.A. on July 24 2024 of the extraordinary dividend of Euro 0.923 per share, totalling approximately Euro 110 million, of which the market was aware, which resulted in the collection by the parent CIR of approximately Euro 61.7 million.

There is still limited visibility on the performance of the Group's activities in the coming months, due to uncertainties linked to macroeconomic developments, in a context where it is difficult to foresee reductions in inflation and interest rates, which are still higher than expected long-term values.

As far as **KOS** is concerned, further consolidation of saturation levels is expected due to the recovery in regions not yet at full capacity and in start-up facilities. Providing that there are no facts and circumstances that make the context more difficult than it currently is, KOS's full year operating results should be significantly better than the previous year.

With regard to the automotive market, where **Sogefi** operates, visibility on market performance in the coming months remains low after the negative figures of the third quarter.

For the full year 2024, Sogefi expects a drop in revenue consistent with the one recorded in September, and confirms its objective of improving the operating result recorded in 2023 on a like-for-like basis, excluding non-recurring charges and extraordinary events that are currently unforeseeable.

As regards the management of financial assets, despite the positive performance of the financial markets in the first half of the year, in view of the uncertainties related to the macroeconomic and financial context, conditions of high volatility are expected to persist in the second half of the year.

Therefore, despite the prudent management approach adopted, reductions in the value of the financial instruments held cannot be ruled out, especially for private equity and hedge funds, after the brilliant performances of the first half of the year.

#### *d) Covenants*

As of the Date of the Offer Document, CIR has no loan agreements that involve guarantees and/or covenants, nor has it issued any guarantees on debt positions outstanding in other companies of the CIR Group.

Of CIR's subsidiaries, only KOS and Sogefi have concluded loan agreements containing special clauses which, in the event of failure to comply with certain economic and financial covenants, give the financing banks an option to claim immediate repayment if the company involved does not immediately remedy the infringement of such covenants as required under the terms and conditions of the agreements.

#### *Sogefi*

As of December 31 2023, Sogefi S.p.A. had loan agreements amounting to Euro 445 million containing the following covenants: i) ratio of consolidated net financial position to consolidated normalised EBITDA less than or equal to 4 and ii) ratio of consolidated normalised EBITDA to consolidated net financial expense not less than 3. It should be noted that consolidated net financial position, consolidated normalised EBITDA and consolidated net financial expense mean the economic and financial indicators as defined in the respective agreements. As of December 31 2023, the covenants have been met.

As of June 30 2024, the amount of these loans was reduced to Euro 345 million, without any change to the covenants in the agreements. As of June 30 2024, the covenants have also been met.

On the basis of the economic and financial trends forecast in the latest approved multi-year business plan, the company also expects to meet them at the future maturities.

#### *KOS*

As of December 31 2023, KOS had loan agreements amounting to Euro 278 million containing the following covenants: for a total amount of Euro 177 million, i) ratio of consolidated net financial position to consolidated EBITDA less than or equal to 3.5 and ii) ratio of consolidated EBITDA to consolidated financial expense greater than or equal to 3 and iii) Loan to Value less than 60%; for a total amount of Euro 101 million, i) ratio of consolidated net financial position to consolidated EBITDA less than or equal to 3.5 and ii) ratio of consolidated EBITDA to consolidated financial expense greater than or equal to 3.

It should be noted that consolidated net financial position, consolidated EBITDA, consolidated financial expense, and Loan to Value mean the economic and equity indicators as defined in the respective agreements, and that for the purposes of calculating the covenants, the consolidated net financial position and EBITDA do not take IFRS 16 into account.

As of December 31 2023, all the contractual clauses relating to loan agreements were fulfilled by the KOS Group.

As of June 30 2024, no changes with respect to the information provided as of December 31 2023 were recorded and all the contractual clauses were fulfilled.

On the basis of the economic and financial trends forecast in the latest approved multi-year business plan, the company also expects to meet the covenants at the future maturities.

For further information, see the notes to the consolidated financial statements for the year 2023, pages 109 and 110.

*e) Accounting effects of the Offer*

As mentioned in Section B.1.6 above, as of December 2023 the Company's equity amounted to Euro 673.2 million, of which Euro 420 million in share capital and Euro 209.7 million in distributable reserves, plus Euro 43.5 million in legal and share premium reserves.

Since December 31 2023, the Company recorded the following main transactions, which have increased its equity and financial assets:

- collection of ordinary dividends from the subsidiaries KOS S.p.A. and Sogefi S.p.A. in the amount of Euro 20.3 million;
- completion of the sale of a property with a capital gain, net of tax effects, of Euro 18.8 million and proceeds of Euro 31.0 million;
- receipt of an extraordinary dividend of Euro 61.7 million from the subsidiary Sogefi S.p.A. following the sale of its Filtration business.

At the same time, the Company did not distribute dividends and used Euro 19.7 million to purchase Own Shares.

Therefore, the distributable reserves as of December 31 2023, amounting to Euro 209.7 million, were more than sufficient to cover the envisaged Euro 80 million transaction, and not only were they not depleted in 2024, but were instead significantly increased.

Furthermore, in light of the amounts collected and used as described above, cash and cash equivalents, taking into account the liquidity of CIR, CIR Investimenti and CIR International, which were more than sufficient as of December 31 2023, also increased further.



In the event of full acceptance of the Offer, the following accounting effects would arise:

- reduction of CIR's equity and distributable reserves, as well as of the consolidated equity of the CIR Group by Euro 80 million due to the use of an equal amount to "buy-back Own Shares";
- reduction in CIR's consolidated Net Financial Position and Net Financial Position by Euro 80 million.

In the light of the transactions described above, and in the absence of any extraordinary events not currently foreseeable, even in the event of full acceptance of the Offer, the distributable reserves and the net financial position of CIR as of December 31 2024 are not expected to be lower than those recorded as of December 31 2023 and the Group is expected to maintain a solid equity and financial position, consonant with the implementation of the current business plan.

## **B.2. Intermediaries**

The intermediary appointed by the Offeror to coordinate the collection of the tenders in acceptance of the Offer through the signing and delivering of the appropriate tender form (the “**Tender Form**”) is Spafid S.p.A. (the **Intermediary appointed to Coordinate the Collection of the Tenders**).

The intermediaries appointed to collect the Tenders, who are authorised to carry out their activity in Italy, through the signing and delivering of the Tender Form are the following (the “**Appointed Intermediaries**”)

- a. BNP Paribas, Italy Branch;
- b. EQUITA SIM S.p.A.

The Offer Document and, for consultation, the documents indicated in Section N below of the Document Offer are available at the registered office of the Issuer and of the Intermediary appointed to Coordinate the Collection of the Tenders. The Offer Document is also available from the Appointed Intermediaries.

The Appointed Intermediaries will collect the Tender Forms, keep the Shares tendered, check that the above-mentioned Tender Forms and the Shares comply with Conditions for the Offer to be Effective and pay the price according to the procedures and timing indicated in Section F, Paragraphs F.5 and F.6, of the Offer Document.

Tenders will be received by the Appointed Intermediaries: (i) directly through collection of the Tender Forms from the Tenderers, or (ii) indirectly through the Depositary Intermediaries, who will collect the Tender Forms from the Tenderers, as described in Section F, Paragraph F.1 of this Offer Document.

On the Payment Date the Appointed Intermediaries will transfer the Shares tendered in acceptance of the Offer, through the Intermediary Appointed to Coordinate the Collection of the Tenders, to a

securities account in the name of the Offeror, following the procedures indicated in Section F, Paragraphs F.5 and F.6 of the Offer Document.

## **C. CATEGORY AND NUMBER OF FINANCIAL INSTRUMENTS ELIGIBLE FOR TENDER**

### **C.1. Category and number of financial instruments eligible for tender**

The Offer is addressed, without distinction and on equal terms, to the Shareholders and concerns a maximum of 131,147,541 Shares, equal to 12.524% of the share capital of CIR.

The Offeror will pay each Tenderer who accepts the Offer a price of Euro 0.61 for each Share tendered in acceptance of the Offer and purchased, for a total maximum amount of approximately Euro 80,000,000.01. The Price was determined by the Offeror according to Section E below and will be paid according to the timing and the procedures indicated in Section F of the Offer Document.

The Shares tendered in acceptance of the Offer must be freely transferable to the Offeror and must be free of all real, mandatory or personal encumbrances.

Each Tenderer may also tender in acceptance of the Offer any Shares with Increased Voting Rights that they hold. For the sake of clarity, it should be noted that tendering in acceptance of the Offer does not in itself mean that the increased voting rights or the conditions for obtaining the same will be lost. For further information on the consequences of holders of Shares with Increased Voting Rights accepting the Offer, see Section A, Paragraph A.8.1 above.

In the event of purchase of the maximum number of Shares Eligible for Tender and taking into account the Shares already in the Issuer's portfolio as of the Date of the Offer Document, CIR will hold 163,170,047 Shares, corresponding to a 15.581% Percentage of the Ordinary Capital. Therefore, upon completion of the Offer (even in the event of full acceptance) the limit set out in Art. 2357, paragraph 3, of the Civil Code would still be complied with. This clause states that the nominal value of the own shares bought back may not exceed one fifth of the share capital, taking into account for this purpose also the shares held by the subsidiaries. It should be noted that all the Shares purchased by CIR under the Offer will be cancelled.

As at the Offer Document Date, the Issuer has not issued any convertible bonds or other financial instruments.

### **C.2. Convertible financial instruments**

The Offer does not refer to financial instruments convertible into Shares or conferring the right to subscribe for Shares.

### **C.3. Disclosures or application for authorisation required by applicable regulations**

This Offer is not subject to any authorisation by any competent authority.

On April 28 2024, the General Meeting approved, subject to revocation of the resolution to authorise

the buy back of Own Shares passed by the Ordinary General Meeting on April 28 2023 for the unused portion, the resolution to authorise the buy back of a maximum of 208,000,000 Own Shares, for a period of eighteen months. Including the Own Shares already owned directly and through subsidiaries, the number of Shares bought back may not however exceed 20% of the total number of shares constituting the share capital. The authorisation is for purchases at a unit price no more than 15% higher or lower than the benchmark price recorded by the Shares in the Italian Stock Exchange trading session preceding each individual buy back transaction or preceding the date on which the buy back price is fixed.

Furthermore, also on April 28 2024, the Extraordinary General Meeting resolved, among other things, to cancel any CIR Own Shares bought back on the basis of the authorisation given by the Ordinary General Meeting, without reducing the share capital, up to a maximum of 208,000,000 Shares, except for those Own Shares which, together with the Own Shares already in the Company's portfolio, are necessary to cover the commitments arising from time to time from the stock grant plan (these General Meeting resolutions are can be found at [www.cirgroup.it](http://www.cirgroup.it), Governance area).

For further information on the Conditions for the Offer to be Effective, see Section A, Paragraph A.1, of the Offer Document above.

**D. FINANCIAL INSTRUMENTS OF THE ISSUER OR THOSE WITH THE SAID INSTRUMENTS AS UNDERLYING ASSET OWNED BY THE OFFEROR EVEN THROUGH FIDUCIARY COMPANIES OR THIRD PARTIES**

**D.1. Number and category of financial instruments of the Issuer owned by the Offeror, with a specification of the title of ownership and title to voting rights**

As of the Date of the Offer document, the Offeror is the owner of 32,022,506 Own Shares, corresponding to a Percentage of the Ordinary Capital of 3.058%, which are not included among the Shares Eligible for Tender.

The Offeror does not have any other financial instruments that give the right to exercise voting rights at the General Meetings of the Issuer.

**D.2. Indication of the possible existence of repurchase agreements, loans of securities, rights of usufruct or pledges on the financial instruments of the Issuer or other contracts of another kind with the said financial instruments as the underlying asset**

As of the Date of the Offer Document, the Offeror has not entered into any repurchase agreements, securities loans, contracts setting up rights of usufruct or pledges on its Own Shares, nor has it entered into contracts where the financial instruments are the underlying asset (such as, by way of example, option, future, swap or forward contracts on said financial instruments), not even through fiduciary companies or third parties or through subsidiaries.

## **E. UNIT PRICE FOR THE FINANCIAL INSTRUMENTS AND ITS DETERMINATION**

### **E.1. Indication of the Price and the criteria followed in its determination**

The Price of the Offer is Euro 0.61 for each Share tendered in acceptance of the Offer and purchased.

The Price is net of stamp duty, registration duty and the Italian tax on financial transactions, where due, and of fees, commissions and costs which will be borne by the Offeror. However, any income tax, withholding tax or substitute tax, where due, on any capital gain realised, will be borne by the Tenderers.

The Offeror took the following criteria into consideration when setting the Price:

- listing price of the CIR Shares at the close of the market on the Offer Announcement Date, i.e., on October 11 2024;
- analysis of CIR's stock market prices in the months preceding the Offer Announcement Date, over several time intervals;
- analysis of the average premiums offered by previous market transactions with similar characteristics to the Offer, including voluntary public tender offers on own shares payable in cash launched in the Italian market.

It should be noted that these criteria for defining the Price were considered as a whole and that no one criterion was predominant.

In the determining the Price, the Offeror did not rely on expert reports and/or opinions and/or valuation documents, but it did use the consulting services of Mediobanca - Banca di Credito Finanziario S.p.A., as financial advisor.

A brief description of the main criteria used to determine the Price is provided below.

#### ***E.1.1. Market price on the day preceding the announcement of the Offer***

The official price of CIR Shares at the close of the market on the Offer Announcement Date, i.e., on October 11 2024, was Euro 0.570 <sup>(1)</sup>. Therefore, the Price incorporates a premium of 6.93% over this price.

#### ***E.1.2. Weighted averages of official prices in the 12 months preceding the announcement of the Offer***

The chart below shows the weighted average of the official prices of the Issuer's Shares in various periods prior to the Announcement Date of the Offer and shows the implied premiums in the Price compared to these average values. The Price incorporates a premium of 7.23%, 4.53%, 5.84% and

---

<sup>(1)</sup> Source: official Borsa Italiana prices.

16.56% over the weighted average of the official prices of the Issuer's Shares during the 1-month, 3-month, 6-month and 12-month periods, respectively, prior to October 11 2024.

Period of time prior to the Announcement Date	Weighted average prices (Euro)	Implied premium factored into the Price (%)
1 month (12/09/2024 - 11/10/2024)	0.569	7.23%
3 months (12/07/2024 – 11/10/2024)	0.584	4.53%
6 months (04/12/2024 - 10/11/2024)	0.576	5.84%
12 months (12/10/2023 - 11/10/2024)	0.523	16.56%

Source: calculations on FactSet data.

In its analysis of the premium offered, the Offeror also took into account the significant appreciation that the CIR shares recorded over the 12 months preceding the Announcement Date of the Offer, rising from a value of Euro 0.389 (October 11 2023) per share to Euro 0.570 (October 11 2024) per share, posting an increase of Euro 0.181 per share, equal to a performance of +46.60% <sup>(2)</sup>.

### ***E.1.3. Implied premiums paid in previous voluntary public tender offers for own shares***

In recent times similar voluntary public tender offers for own shares with the price paid in cash have been launched by the issuers Growens S.p.A. in 2023, Openjobmetis S.p.A. in 2023, SAES Getters S.p.A. <sup>(3)</sup> in 2023, CIR in 2021, Retelit S.p.A. in 2020, SIAS - Società Iniziative Autostradali e Servizi S.p.A. <sup>(4)</sup> in 2019, SAES Getters S.p.A. in 2019 and Italmobiliare S.p.A. in 2017

The chart below shows (i) the implied premium in the price per Share paid in previous comparable transactions launched on the Italian market compared to the weighted averages of the share prices with reference to the monthly, quarterly, half-yearly and yearly periods preceding the Announcement Date, and (ii) the implied premium in the Price paid by this Offer compared to the weighted averages of the Share prices with reference to the monthly, quarterly, half-yearly and yearly periods, respectively, preceding the Announcement Date.

<sup>(2)</sup> Source: official prices calculated on FactSet data.

<sup>(3)</sup> The partial voluntary offer of SAES Getters S.p.A. was for own savings shares.

<sup>(4)</sup> ASTM's partial voluntary offer on SIAS can be considered a share buy-back as it was made at the same time as the announcement of the merger of SIAS into ASTM.

Period of time prior to the Announcement Date	Average premiums of previous deals in Italy (%)	Implied premium factored into the Price (%)
1 month	12.95%	7.23%
3 months	12.25%	4.53%
6 months	14.90%	5.84%
12 months	19.00%	16.56%

Sources: calculations on FactSet data and calculations on the data contained in the offer documents concerning voluntary tender offers for own shares promoted on the Italian market: Growens S.p.A. (2023), Openjobmetis S.p.A. (2023), SAES Getters S.p.A. (2023), CIR S.p.A. - Compagnie Industriali Riunite (2021), Retelit S.p.A. (2020), SIAS - Società Iniziative Autostradali e Servizi S.p.A. (2019), SAES Getters S.p.A. (2019) and Italmobiliare S.p.A. (2017)

## E.2. Indication of the total value of the Offer

The total value of the Offer for 131,147,541 Shares, in the event of full acceptance, amounts to Euro 80,000,000.01.

## E.3. Comparison of price with certain indicators

The chart below shows certain consolidated indicators of the Issuer for the years ended December 31 2023 and December 31 2022 (Source: CIR 2023 Consolidated Financial Statements).

Consolidated figures as of December 31 (Values in thousands of Euro, except for values per share stated in Euro)	2023	2022
Revenue	2,379,836	2,226,838
- per Share	2.27	2.06
Gross operating profit (GOM)	352,240	296,158
- per Share	0.34	0.27
Operating result	146,189	83,878
- per Share	0.14	0.08
Operating cash flow <sup>(5)</sup>	250,239	160,816
- per Share	0.24	0.15
Group result	32,792	(257)
- per Share	0.03	(0.00)
Group equity	753,615	743,359
- per Share	0.72	0.69
Ordinary dividends distributed by the Parent Company	-	-
- per Share	-	-

<sup>(5)</sup> Calculated as EBITDA - Capex. It should be noted that the definition of "operating cash flow" taken into consideration pursuant to this Paragraph does not therefore coincide with the definition of "free cash flow" referred to in the cash flow statements set forth in Section B, Paragraph B.1.6, of the Offer Document.



Consolidated figures as of December 31 (Values in thousands of Euro, except for values per share stated in Euro)		
	2023	2022
Ordinary dividends distributed by the Group	-	-
- per Share	-	-
Number of shares outstanding <sup>(6)</sup>	1,048,050,061	1,082,726,514

Regarding the Price, the chart below shows the EV/GOM, EV/Operating result, Price/Earnings, Price/Book Value and Price/Operating cash flow multipliers of the Issuer for the years 2022 and 2023. It should be noted that due to its nature as a holding of equity investments, the EV/GOM, EV/Operating result and Price/Operating cash flow multipliers are of little significance.

- EV/MOL is the ratio between (i) the Enterprise Value or “EV” calculated as the algebraic sum of a) capitalisation calculated based on the Price paid for the Shares, b) minority shareholder interests, c) net financial position, d) payables for leaving indemnity (TFR), adjusted by the carrying value of the investments in associated companies, by the assets held for disposal net of their respective liabilities and by the free cash flow generated by the sale of Sogefi's Filtration division <sup>(7)</sup> and (ii) the GOM;
- EV/Operating Result is the ratio between (i) EV calculated as the algebraic sum of (a) capitalisation calculated based on the Price paid for the Shares, b) minority shareholder interests, c) net financial position, d) payables for leaving indemnity (TFR), adjusted by the carrying value of the investments in associated companies, by the assets held for disposal net of their respective liabilities and by the free cash flow generated by the sale of Sogefi's Filtration division and (ii) Operating Result;
- Price/Earnings is the ratio between (i) capitalisation calculated based on the Price paid for the Shares and (ii) the group result;
- Price/Book Value is the ratio between (i) capitalisation calculated based on the Price paid for the Shares and (ii) group equity;
- Price/Operating cash flow is the ratio between (i) capitalisation calculated based on the Price paid for the Shares and (ii) operating cash flow calculated as the difference between EBITDA and Capex (investments in tangible and intangible assets).

(6) Total CIR ordinary Shares net of Own Shares as at December 31 2023 and 2022.

(7) The sale of Sogefi's Filtration division, completed on May 31 2024, generated a free cash flow for the Group of Euro 303.1 million, including cash flows from the business in the first five months of the year.

<b>Multipliers (calculated on consolidated data as of December 31)</b>	<b>2023</b>	<b>2022</b>
EV/MOL	2.9x	3.4x
EV/Operating result	6.9x	12.0x
Price/Earnings	20.2x	neg. <sup>(9)</sup>
Price/Book Value	0.9x	0.9x
Price/Operating cash flow	2.6x	4.1x

Source: FactSet, company data.

These multipliers were compared with the average Price/Earnings and Price/Book Value (the indicators considered more significant for holding companies) and Price/Operating cash flow figures for the years 2023 and 2022 for a sample of listed Italian companies which, albeit to a more limited extent than the Issuer, carry out the activity of a holding company.

<b>Company</b>	<b>Country where listed</b>	<b>Stock market capitalisation (Euro m)</b>	<b>P / E</b>		<b>P / BV</b>		<b>P / Operating cash flow</b>	
			<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
EXOR N.V.	Netherlands	20,640	4.9x	4.9x	0.9x	1.0x	5.0x	6.2x
Italmobiliare S.p.A.	Italy	1,205	18.1x	n.s. <sup>(8)</sup>	0.8x	0.8x	n.s. <sup>(8)</sup>	n.s. <sup>(8)</sup>
Tamburi Investment Partners S.p.A.	Italy	1,526	17.9x	11.4x	1.1x	1.3x	neg. <sup>(9)</sup>	neg. <sup>(9)</sup>
<b>Average</b>			<b>13.6x</b>	<b>8.1x</b>	<b>0.9x</b>	<b>1.0x</b>	<b>5.0x</b>	<b>6.2x</b>
CIR S.p.A.	Italy	663	20.2x	neg. <sup>(9)</sup>	0.9x	0.9x	2.6x	4.1x

Source: FactSet, company data. Stock exchange capitalisation at average prices in the 3 months preceding October 11 2024. For CIR, the theoretical capitalisation was calculated by multiplying the number of Shares, net of Own Shares as of June 30 2024, by the Price.

With reference to the financial year 2023, the Issuer reported a P/E multiplier of approximately 20.2x, higher than the average of the above sample, which was approximately 13.6x. The multiple expressed by the Issuer was higher than the value of each company in the sample, the highest of which was represented by Italmobiliare S.p.A. with a P/E 2023 multiple of approximately 18.1x.

(8) Non-significant multiple ("n.s.") as this value exceeds 50x and would impact the significance of the average multiplier reported.

(9) Negative multiple ('neg.') and therefore not comparable.

Furthermore, based on the data for the financial year 2023 the Issuer reported a P/BV multiplier of approximately 0.9x, in line with the average value of the sample of companies. The multiple expressed by the Issuer was between the minimum value of the sample (represented by Italmobiliare S.p.A. with a multiple of approximately 0.8x) and the maximum value (represented by Tamburi Investment Partners S.p.A. with a multiple of approximately 1.1x).

Lastly, again with reference to the last financial year, the Issuer reported a P/Operating cash flow 2023 multiplier of approximately 2.6x, lower than Exor N.V., which was approximately 5.0x, the only reference represented as the multipliers of the other companies in the sample were not significant or negative.

It should be noted that, in the Issuer's opinion, the companies included in the above-mentioned sample are only partially potentially comparable to the Company. Furthermore, the significance of some of the multiples shown in the above chart may be influenced by the respective accounting standards used, the consolidation policies of some companies, and/or the presence of extraordinary items in their financial statements.

These multipliers, provided for information purposes and prepared solely for inclusion in this Offer Document, were calculated on the basis of historical data and information publicly available as of the Announcement Date, and on the basis of subjective parameters and assumptions determined according to commonly applied methods, and are provided for further illustration and purely indicative purposes, without attempting to be comprehensive.

#### **E.4. Monthly weighted average of the prices recorded by the instruments eligible for tender**

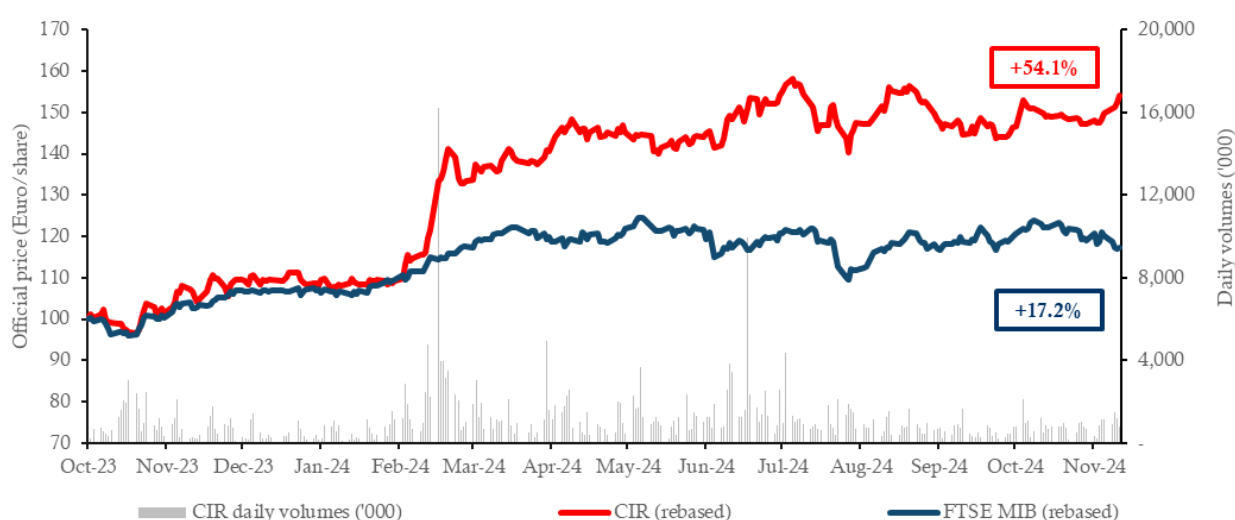
The following chart shows the weighted average official prices for the volumes traded of the Shares, recorded in the past twelve months.

Month	Weighted average (Euro)
October 2024 (October 1 2024 to October 11 2024)	0.567
September 2024	0.578
August 2024	0.580
July 2024	0.596
June 2024	0.575
May 2024	0.560
April 2024	0.558
March 2024	0.534
February 2024	0.487
January 2024	0.424
December 2023	0.425
November 2023	0.410
October 2023 (from October 11 2023 to October 31 2023)	0.382

Source: calculations on FactSet data.

The official price of CIR Shares recorded at the close of the session of November 21 2024 (last Stock Exchange Trading Day before the Date of the Offer Document) is Euro 0.600.

A graph is also provided below, showing the trend of the official prices of CIR Shares and of the FTSE MIB index recorded from October 11 2023 to the last Stock Exchange Trading Day before the Date of the Offer Document(\*).



(\*) The performance of CIR Shares is calculated with reference to the official closing price recorded on 11 October 2023, equal to Euro 0.389. The performance of the FTSE MIB is calculated with reference to the value recorded at market close on

11 October 2023 equal to 28,419

Source: calculations on FactSet data.

#### **E.5. Indication of the values at which purchase and sale transactions on the financial instruments eligible for tender have been carried out in the last twelve months**

During the last twelve months, the Offeror, which is the same entity as the Issuer, has carried out purchase transactions on the Issuer's Shares, for a total of 38,372,851 Shares and a total consideration of Euro 20,732,196.87. Details of the weekly purchases made by the Offeror are provided below:

<i>Time period</i>	<i>Number of Own Shares purchased by the Offeror</i>	<i>Weighted average purchase price (Euro)</i>	<i>Value (Euro)</i>
07/10/24 - 11/10/24	491,127	0.5675	278,720.71
30/09/24 - 04/10/24	466,306	0.5719	266,675.79
23/09/24 - 27/09/24	365,059	0.5705	208,275.88
16/09/24 - 20/09/24	782,500	0.5723	447,818.40
09/09/24 - 13/09/24	541,442	0.5772	312,519.96
02/09/24 - 06/09/24	737,500	0.5962	439,715.60
26/08/24 - 30/08/24	677,000	0.6050	409,580.30
19/08/24 - 23/08/24	632,349	0.5991	378,852.01
12/08/24 - 16/08/24	502,672	0.5742	288,631.36
05/08/24 - 09/08/24	1,355,000	0.5642	764,423.50
29/07/24 - 02/08/24	899,897	0.5806	522,517.33
22/07/24 - 26/07/24	749,600	0.5809	435,427.70
15/07/24 - 19/07/24	1,036,049	0.6104	632,407.86
08/07/24 - 12/07/24	1,379,000	0.6034	832,099.40
01/07/24 - 05/07/24	1,603,723	0.5927	950,545.76
24/06/24 - 28/06/24	1,671,863	0.5874	982,121.27
17/06/24 - 21/06/24	1,127,384	0.5745	647,710.85
10/06/24 - 14/06/24	1,129,000	0.5608	633,095.40
03/06/24 - 07/06/24	825,735	0.5597	462,175.91
27/05/24 - 31/05/24	354,285	0.5547	196,523.43
20/05/24 - 24/05/24	524,500	0.5510	289,024.80
13/05/24 - 17/05/24	817,000	0.5619	459,081.80
06/05/24 - 10/05/24	427,000	0.5680	242,525.40

<i>Time period</i>	<i>Number of Own Shares purchased by the Offeror</i>	<i>Weighted average purchase price (Euro)</i>	<i>Value (Euro)</i>
29/04/24 - 03/05/24	235,550	0.5654	133,173.12
22/04/24 - 26/04/24	797,450	0.5638	449,587.85
15/04/24 - 19/04/24	1,067,613	0.5705	609,106.71
08/04/24 - 12/04/24	1,423,500	0.5508	784,127.42
03/04/24 - 05/04/24	299,000	0.5376	160,741.15
28/03/24 - 02/04/24	212,100	0.5394	114,409.05
25/03/24 - 27/03/24	792,200	0.5483	434,395.13
18/03/24 - 22/03/24	1,159,070	0.5331	617,944.00
11/03/24 - 15/03/24	1,860,364	0.5308	987,519.15
04/03/24 - 08/03/24	1,564,689	0.5283	826,604.86
26/02/24 - 01/03/24	2,657,665	0.5342	1,419,659.87
19/02/24 - 23/02/24	1,133,795	0.4591	520,569.35
12/02/24 - 16/02/24	827,888	0.4437	367,370.89
05/02/24 - 09/02/24	598,590	0.4251	254,483.22
29/01/24 - 02/02/24	449,350	0.4251	191,010.34
22/01/24 - 26/01/24	237,807	0.4251	101,095.08
15/01/24 - 19/01/24	521,789	0.4215	219,915.38
08/01/24 - 12/01/24	344,746	0.4255	146,689.01
02/01/24 - 05/01/24	375,000	0.4280	160,517.50
27/12/23 - 29/12/23	206,500	0.4312	89,034.75
18/12/23 - 22/12/23	329,500	0.4252	140,100.20
11/12/23 - 15/12/23	430,454	0.4293	184,804.34
04/12/23 - 08/12/23	730,268	0.4205	307,102.96
27/11/23 - 01/12/23	768,096	0.4262	327,385.53
20/11/23 - 24/11/23	253,876	0.4111	104,379.59

**F. TERMS AND CONDITIONS FOR ACCEPTING THE OFFER, DATE AND METHOD OF PAYMENT OF THE PRICE AND RETURN OF THE SHARES ELIGIBLE FOR TENDER**

**F.1. F.1 Terms and conditions for accepting the Offer and for depositing the Shares**

***F.1.1. Period for Acceptance of the Offer***

The Period for Acceptance of the Offer, agreed upon with Borsa Italiana as per the terms of Art. 40, paragraph 2, of the Rules for Issuers, will start at 8.30 a.m. on November 25 2024 (inclusive) and will end at 5.30 p.m. on December 13 2024 (inclusive), unless the Offer is extended. Notification of such extension will be given as per the terms of the laws and regulations in force.

December 13 2024 is therefore the closing date of the Acceptance Period, unless extended.

***F.1.2. Irrevocability of the tenders and procedures for accepting the Offer***

Tenders submitted by the owners of the Shares (or by a representative with the necessary powers) are irrevocable, without prejudice to the possibility of revoking them provided by Art. 44, paragraph 7, of the Rules for Issuers in the event of publication of a competing offer or of a relaunch of the price.

The Offer will be accepted by delivering the appropriate tender form (the “**Tender Form**”), duly completed in full and signed, and depositing at the same time the Shares tendered in acceptance of the Offer at an Appointed Intermediary. For further information on the Intermediaries, see the previous Section B, Paragraph B.2, of the Offer Document.

Considering that the securities are in book-entry form, as per Article 83-bis et seq. of the TUF and Consob-Bank of Italy measure of August 13 2018 as subsequently amended and supplemented, for the purpose of this Paragraph the Shares are considered to have been deposited even when the owner of the Shares has given the Depositary Intermediary with whom the Shares are deposited appropriate instructions to transfer the Shares to the Offeror.

Therefore, considering that the Shares are in book-entry form, the signing of the Tender Form will constitute an irrevocable instruction given by an individual holder of the Shares to its Depositary Intermediary – with whom their Shares are deposited in a securities account – to transfer the Shares to deposit accounts, where present, with the same intermediaries in favour of the Appointed Intermediaries.

Shareholders intending to tender Shares in acceptance of the Offer can also deliver their Tender Form and deposit the Shares indicated therein to Depositary Intermediaries (i.e., banks, brokerage firms, investment companies or stockbrokers, as described more fully in Paragraph B.2 of the Offer Document) provided they are delivered and deposited in sufficient time for the Depositary Intermediaries to deposit the Shares with an Appointed Intermediary no later than on the last day of

the Acceptance Period.

The Depositary Intermediaries in their role as agents, must counter-sign the Tender Forms. The Tenderers will solely bear the risk of the Depositary Intermediaries not delivering the Tender Form or depositing the relative Shares with an Appointed Intermediary by the last day of the Acceptance Period.

When the Offer is accepted and the Shares are deposited through the signing of the Tender Form, a mandate will be given to the Appointed Intermediary and to the Depositary Intermediary to carry out all the formalities necessary in preparation for the transfer of the Shares to the Offeror who will bear the costs involved.

In order to be tendered in acceptance of the Offer the Shares must be freely transferable to the Offeror and must be free of all real, mandatory or personal encumbrances.

Only Shares that, at the time of tender, are duly registered and available in a securities account of the Tenderer opened by the same with an intermediary belonging to the centralised management system managed by Monte Titoli will be accepted. In particular, Shares arising from purchase transactions carried out in the market can be tendered under the Offer only when they have been settled through the clearance system.

Shares identified by the following identification codes may be tendered in acceptance of the Offer: (i) ISIN IT0000070786, (ii) XXITV0000172, (iii) XXITV0000180 and (iv) ISIN IT0005241762 (i.e., the Shares with Increased Voting Shares Rights). If any Shareholders wish to tender in acceptance of the Offer Shares in their possession identified by different identification codes, they will be required to specify on the Tender Form, for each type of Share identified by different identification codes, the quantity that they intend to tender.

Shareholders holding Shares that are not in book-entry form who intend to accept the Offer must firstly hand over their share certificates to a Depositary Intermediary belonging to the Monte Titoli centralised management system so that they can be converted into book-entry form and credited to a securities account held in the owner's name at the intermediary.

Acceptance of the Offer by underage persons or persons entrusted to guardian or administrators, as per the terms of applicable legislation, signed by the person who has the power to do so, if not accompanied by an authorisation from the competent court, will only be accepted with reservation and will not be included in the calculation for the purpose of determining the percentage of acceptance of the Offer. The Price for Shares tendered in this way will only be paid once the authorisation has been received.

The Offer, which is for a maximum number of 131,147,541 Shares, equal to 12.524% of the Issuer's share capital, is not conditional on reaching a minimum number of acceptances.

In the event that Tenders are presented during the Acceptance Period for more Shares than the



maximum number of Shares Eligible for Tender, the Allocation process will be applied to the Shares following the pro-rata approach, on the basis of which the Offeror will buy from all the Shareholders who accepted the Offer during the Acceptance Period the same proportion of Shares (at the Allocation coefficient) as they tendered in acceptance of the Offer.

If the Shares tendered in acceptance of the Offer by a single Shareholder are identified by different identification codes, the Allocation will take place following the mechanisms described in Section L of the Offer Document to which reference should be made for further information.

If instead at the end of the Acceptance Period the number of Shares tendered in acceptance of the Offer is lower than or equal to the maximum number of Shares Eligible for Tender (and the Conditions for the Offer to be Effective have been either fulfilled or waived), the Offeror will take go ahead and accept all the Shares tendered.

Surplus Shares left after the Allocation process will be made available to the Tenderers through the Depositary Intermediaries by the close of the Stock Exchange Trading Day after the issue of the Press Release with the Definitive Results of the Offer in which the definitive Allocation Coefficient will also be announced.

It should be noted that an Allocation process means that tenders cannot be cancelled. For further details, see Section L of this Offer Document.

## **F.2. Information on the ownership and exercise of administrative and patrimonial rights pertaining to the financial instruments eligible for Tender pending the Offer**

The Shares tendered in acceptance of the Offer will remain secured to service the Offer and therefore from the date of acceptance until the Payment Date, those who have accepted the Offer:

(i) will be able to exercise their patrimonial rights (such as, for example, option rights or dividend rights) and their administrative rights (such as voting rights) for the Shares that they have tendered, but (ii) will not be able to sell all or part of them or to give instructions regarding these Shares (without prejudice to the right to revoke the tender in acceptance of the Offer in the event of other competing offers or relaunches as per the terms of Art. 44, paragraph 7, of the Rules for Issuers).

The Shares tendered in acceptance of the Offer during the Acceptance Period will be transferred to the Offeror on the Payment Date.

It is noted that acceptance of the Offer alone does not, in itself, lead to the loss of the increased vote or the conditions for the accrual of the increased vote or the enhancement of the increased vote already acquired, as well as accrued during the Acceptance Period until on the Payment Date if the Shares are not transferred to the Offeror. Therefore, in the event of the return of Shares due to the ineffectiveness of the Offer or for any reason related to the of Allocation, Tenderers will have the right to have their

Shares returned with the same rights (such as, for example, increased voting rights as per the terms of Article 127-quinquies of the TUF, or the right to obtain increased voting rights, or enhanced increased voting rights, or the right to be registered in CIR's stable shareholders book) as they would have had if they had not accepted the Offer..

### **F.3. Announcements regarding the progress of the Offer**

#### ***F.3.1. Obligations of the Appointed Intermediaries in relation to the data regarding acceptance of the Offer***

During the Acceptance Period, the Intermediary Appointed to Coordinate the Collection of the Tenders will give Borsa Italiana on a daily basis, pursuant to the provisions of Art. 41, paragraph 2, letter d), of the Rules for Issuers, the figures relating to the tenders received during the day and the total number of Shares tendered under the Offer, together with the percentage of these numbers in relation to the Shares Eligible for Tender. Borsa Italiana will publish these figures in a special notice by the following day.

#### ***F.3.2. Information on the results of the Offer***

By the evening of the last day of the Acceptance Period and in any case no later than 7:29 a.m. on December 16 2024 (first Stock Exchange Trading Day after the end of the Acceptance Period for the Offer), unless the Acceptance Period is extended, the Offeror, pursuant to Article 36 of the Rules for Issuers, will issue the Press Release on the Provisional Results of the Offer, indicating, where applicable, the provisional Allocation Coefficient.

No later than the Stock Exchange Trading Day before the Payment Date, i.e., by 7:29 a.m. on December, 19 2024, unless the Acceptance Period is extended, the Offeror, pursuant to Article 41, paragraph 6, of the Rules for Issuers, will issue the Press Release on the Definitive Results of the Offer, indicating, where applicable, the definitive Allocation Coefficient.

#### ***F.3.3. Information on the fulfilment of the Conditions for the Offer to be Effective***

For the Offer to be effective the following conditions must be met:

- (A) that by the close of the Stock Exchange Trading Day after the end of the Acceptance Period none of the following situations have occurred: (i) exceptional events or situations at national and/or international level involving serious changes to the political, financial, economic, foreign exchange or market situation that had not already taken place as of the date of publication of the Offer Document and which have substantially prejudicial effects on the Offer, on the conditions of the businesses and/or on the patrimonial, economic and/or financial conditions of CIR and/or of the companies belonging to the CIR Group, or (ii) actions, facts, circumstances, events or situations that had not taken place as of the publication of the Offer Document and such as to cause significant prejudice to the Offer, the conditions of the

businesses and/or the patrimonial, economic or financial conditions of CIR and/or the CIR Group as stated in the Interim Financial Report as of June 30 2024, published on August 2 2024; and/or

- (B) that by the close of the Stock Exchange Trading Day after the end of the Acceptance Period, no legislative or administrative acts or measures (including mandatory tender offers as per Art. 106 et seq. of the TUF) or judicial measures have been adopted and/or published by the competent institutions, entities or authorities, such as to preclude, limit or render more onerous, in full or in part, or even temporarily, the possibility for CIR and/or the CIR Group to complete the Offer.

The Offeror may waive, or modify in terms, at any time and at its sole discretion, in whole or in part, the Conditions for the Offer to be Effective.

The Offeror will announce whether or not the Conditions for the Offer to be Effective have been fulfilled and any decision to waive the same by 7:29 a.m. on the second Stock Exchange Trading Day after the end of the Acceptance Period, in a press release as per the terms of Art. 36 of the Rules for Issuers and also in the Press Release on the Definitive Results of the Offer as described in Section F, Paragraph F.3.2 of this Offer Document.

In the event of non-fulfilment of the Conditions for the Offer to be Effective and of the non-exercise by the Offeror of the right to waive the same, the Offer will be rendered invalid and the Shares tendered in acceptance of the same Offer will be returned to the availability of their respective owners, without the latter being liable for any costs or expenses, by the close of the first Stock Exchange Trading Day after the first announcement in which the Offer is declared to be invalid.

For further information on the Conditions for the Offer to be Effective, see Section A, Paragraph A.1, of the Offer Document.

#### **F.4. Market on which the Offer is being launched**

The Offer is being launched exclusively in Italy, as the Shares are listed exclusively on Euronext Milan, and is addressed, on equal terms, to all Shareholders.

The Offer has not been nor will it be launched in the United States of America, Canada or Japan, or in any other State in which such an Offer is not permitted without authorisation by the competent authorities or where it would infringe local rules and regulations (“**Other Countries**”), using instruments of communication or international commerce (including, for example, the postal service, fax, telex, email, telephone and the internet) of the United States of America, Canada, Japan, Australia or Other Countries, or through any structure of a financial intermediary of the United States of America, Canada, Japan, Australia or Other Countries, or in any other way. Copies of the Offer

Document, or parts of the same, and copies of any subsequent document that the Offeror may issue in relation to the Offer, have not been sent nor will be sent or transmitted in any way or distributed, directly or indirectly, in the United States of America, Canada, Japan, Australia or Other Countries. Anyone receiving said documents must not distribute them, send them or forward them (either by post or by any other means or instrument of communication or international commerce) to the United States of America, Canada, Japan, Australia or Other Countries.

Any tenders resulting from solicitation activities in infringement of the above limitations will not be accepted.

The Offer Document does not constitute, and cannot be interpreted as, an offer of financial instruments addressed to persons resident in the United States of America, Canada, Japan, Australia or Other Countries. No instrument can be offered, bought or sold in the United States of America, Canada, Japan, Australia or Other Countries in the absence of a specific authorisation in compliance with the applicable local rules of law of those countries or of waiver of said rules of law.

Acceptance of the Offer by persons resident in countries other than Italy may be subject to specific obligations or restrictions imposed by rules of law or regulations. It is the exclusive responsibility of the addressees of the Offer to comply with such rules and therefore before accepting the Offer, they should verify their existence and applicability, by consulting their own advisors.

#### **F.5. Date of Payment of the Price**

Payment of the Price to those who accept the Offer in return for the transfer of ownership of the Shares tendered to the Offeror will take place on the Payment Date, i.e., the fifth Stock Exchange Trading Day after the date of the end of the Acceptance Period and therefore, unless the Acceptance Period is extended, on December 20 2024.

On the Payment Date the Intermediary Appointed to Coordinate the Collection of the Tenders will transfer the total of the Shares tendered in acceptance of the Offer to a securities account in the name of the Offeror.

As from the Payment Date the Tenderers under the Offer will no longer be able to exercise patrimonial rights (such as, for example, option rights and dividend rights) or administrative rights (such as voting rights) on the Shares tendered.

#### **F.6. Method of payment of the Price**

Subject to fulfilment of the Conditions for the Offer to be Effective (or to the waiver of the same by the Offeror), the Price for the Shares tendered will be paid in cash. The methods of payment of the Price are stated in the Tender Form.

The Offer Price will be paid by the Offeror, through the Intermediary Appointed to Coordinate the

Collection of the Tenders, to the Appointed Intermediaries, who will transfer the funds to the Depositary Intermediaries so that they can transfer them to the Tenderers according to the instructions provided by the same Tenderers (or by their agents) on acceptance of the Offer and the procedures specified therein.

The Offeror's obligation to pay the Price due for the Shares tendered under the Offer will be considered as fulfilled when the relative funds are credited to the Appointed Intermediaries. Therefore, the risk that the Appointed Intermediaries or the Depositary Intermediaries fail to transfer or delay payment of the funds is borne exclusively by the Tenderers.

**F.7. Law governing the contracts signed by the Offeror and the owners of the financial instruments of the Issuer and competent jurisdiction**

Acceptance of the Offer is governed by Italian Law and the competent jurisdiction will be an ordinary Italian court of law.

**F.8. Procedures and terms for returning Shares tendered in the event that the Offer is invalid and/or in the event of an Allocation process**

In the event of non-fulfilment of the Conditions for the Offer to be Effective and of non-exercise of the right of waiver by the Offeror, the Offer will be rendered invalid and the Shares tendered in acceptance of the same Offer will be returned to the availability of their respective owners, without the latter being liable for any costs or expenses, by the end of the first Stock Exchange Trading Day after the first announcement in which the Offer is declared to be invalid.

For further information on the Allocation process, see Section L of this Offer Document.

## **G. FUNDING METHOD, GUARANTEES OF EXACT FULFILMENT AND FUTURE PLANS OF THE OFFEROR**

### **G.1. Method of funding the Offer and guarantees of the exact fulfilment of the deal**

The Offeror intends to cover the Maximum Disbursement of the Offer, equal to a maximum of Euro 80,000,000.01, using part of its cash holdings.

On November 14 2024, the Offeror paid into escrow account no. 70202623, opened with Mediobanca (the "**Account**") the total amount of Euro 80,800,000.01 (of which Euro 80,000,000.01 equal to the maximum total value of the Offer and Euro 800,000.00 for payment of the costs and commissions relating to the Offer) (the "**Sum in Escrow**").

On November 21 2024, Mediobanca issued the guarantee of exact fulfilment of the obligations of the Offer for the purposes set out in Art. 37-bis of the Rules for Issuers, on the basis of which:

- (i) the Sum in Escrow will remain deposited in the Account until Mediobanca, as issuer of the performance guarantee, has been fully discharged from its obligations under such guarantee, and will be exclusively and irrevocably allocated for payment (a) to the Tenderers under the Offer of the total value of the Shares that will be delivered in acceptance of the Offer and actually purchased by the Offeror, and (b) on the Payment Date, to payment of the operating costs connected with the Offer, including the intermediaries' fees as provided for in Section I of the Offer Document, and
- (ii) Mediobanca, upon the simple request of Spafid S.p.A., in its capacity as Intermediary Appointed to Coordinate the Collection of the Tenders, in the way indicated by the latter, will pay in full, in the capacity of depositary bank acting on behalf of the Offeror, the amounts due as per the terms of paragraph (i) above up to the amount of the Sum in Escrow.

To guarantee payment by the Offeror of the fees referred to in point (i)(b), it should be noted that the Offeror has lodged a pledge on the Account in favour of Mediobanca, in the capacity of the bank guaranteeing the exact fulfilment of the Offeror's obligations to pay the Price.

### **G.2. Reasons for the transaction and future plans formulated by the Offeror**

#### ***G.2.1. Reasons for the Offer***

As the Company has high liquidity, it wishes to enable the Shareholders to benefit, through the Offer, – with equal treatment for all – from a temporary possibility of selling all or part of their investment at a certain price that includes a premium over the average price of the share in recent months.

Furthermore, it should be noted that the main reasons for which the authorisation to the Board of Directors to purchase Own Shares was renewed - by resolution of the Issuer's ordinary general meeting

of April 29 2024 - are as follows:

- (i) to fulfil obligations resulting from possible stock option plans or other awards of shares of the Company to employees or members of the Board of Directors of CIR or its subsidiaries, and to fulfil any obligations arising from debt instruments convertible into or exchangeable for equity instruments;
- (ii) to have a portfolio of Own Shares to be used as a consideration in extraordinary transactions, including those involving an exchange of equity holdings, with other parties within the context of transactions of interest to the Company (a stock of securities);
- (iii) to support market liquidity, optimise the capital structure and remunerate the Shareholders in particular market conditions;
- (iv) to take advantage of opportunities for creating value, as well as investing liquidity efficiently in relation to the market trends; and
- (v) for any other purpose that the competent authorities may classify as accepted market practices under applicable European and domestic law, according to the procedures established therein.

For Shareholders who do not intend to accept the Offer, the purchase of Own Shares by the Company will result in (i) an increase in the NAV (Net Asset Value) per share, one of the main valuation criteria of the holding company, and (ii) for the same total company profits, an increase in the earning per share and the dividend per share, given that the dividend rights of Own Shares are allocated pro-rata to the other Shares pursuant to Art. 2357-ter, second paragraph, of the Civil Code, and in any case the Company's decision to proceed with the cancellation of the Own Shares purchased.

After the Offer, the Company would maintain a solid capital structure with considerable scope for further capital optimisation and growth.

#### ***G.2.2. Future plans formulated by the Offeror for the Issuer and its Group***

##### ***Plans relating to the management of the businesses and approved business plans***

CIR is an Investment Holding Company and intends to continue its business of investing and managing its equity interests in the sectors where it already operates and does not plan to diversify further.

In particular, the Issuer seeks to create value through strategic development in the social healthcare sector, where it will continue to assess opportunities for consolidation and growth, including through acquisitions, and in the automotive sector, by improving the industrial performance of Suspensions and developing Air & Cooling in the sector of electric vehicles.

At the same time, and pending investments in line with the above strategy, it will continue to manage the significant financial resources at its disposal, with a view to achieving a prudent balance between

profitability and risk.

***Investments to be made and forms of funding for the same***

The Issuer's activity as an investment holding company entails the examination of multiple investment opportunities. These investment opportunities must be disclosed to the market only if they reach a sufficient degree of precision to constitute inside information within the meaning of Article 7 MAR. At present, the Issuer has not undertaken any obligations in respect of new investments.

***Restructuring and reorganisation plans***

The Issuer has no corporate restructuring and reorganisation plans in place.

***Changes envisaged in the composition of the administrative and control bodies and their fees***

As of the Date of the Offer Document, the Issuer has not taken any decision regarding possible changes in the composition of its administrative and control bodies or their respective fees.

***Amendments to the Issuer's Bylaws***

As of the Date of the Offer Document the Issuer, which revised its Bylaws on September 6 2024, has not identified any specific amendment or any change to be made to the current Bylaws of CIR in the twelve months following the Payment Date.

**G.3. Reconstitution of the free float**

The Offer is a voluntary partial public tender offer launched pursuant to Articles 102 et seq. of the TUF and is not aimed at, nor can it lead to, the delisting of the Issuer's Shares from Euronext Milan.

Given the nature of the Offer, which is precisely a voluntary partial public tender offer for the Issuer's own shares, it cannot in any way entail the Offeror holding a total interest of over 90% of the ordinary share capital of the Issuer and thus the conditions do not exist either for the Right of Purchase as per Art. 111 of the TUF, or for the Mandatory Purchase as per Art. 108, paragraphs 1 and 2 of the TUF.

For further information, see Section A, Paragraphs A.8 and A.9 of the Offer Document above.



**H. AGREEMENTS AND TRANSACTIONS BETWEEN THE OFFEROR AND THE ISSUER OR SIGNIFICANT SHAREHOLDERS OR MEMBERS OF THE ADMINISTRATIVE AND CONTROL BODIES OF THE ISSUER**

**H.1. Indication of agreements and financial and/or commercial transactions that have been approved and/or implemented in the twelve months prior to the publication of the Offer, between the above persons or entities, which could have or have had significant effects on the Issuer's business**

In the twelve months prior to the Date of the Offer Document no financial and/or commercial agreements or transactions were approved and/or implemented between the above-mentioned persons or entities that could have or have had significant effects on the Issuer's business.

**H.2. Indication of agreements between the above persons or entities concerning the exercise of voting rights or the transfer of shares and/or other financial instruments of the Issuer**

As of the Date of the Offer Document there are no agreements between the Offeror, which is also the Issuer, and the persons or entities indicated regarding the exercise of voting rights or the transfer of Shares of the Issuer.

## **I. FEES FOR THE INTERMEDIARIES**

As a fee for the functions carried out within the sphere of the Offer, the Offeror will pay the following fees, inclusive of all and every intermediation fee:

1. The Intermediary Appointed to Coordinate the Collection of the Tenders, provided the Offer has been launched, will receive: a fixed commission of Euro 25,000.00;
2. Each Appointed Intermediary will receive:
  - (i) a commission equal to 0.05% of the value of the Shares purchased by the Issuer directly through them and/or indirectly through the Depositary Intermediaries, up to a maximum limit of Euro 5,000.00 per Shareholder who has tendered Shares in acceptance of the Offer;
  - (ii) a fixed commission of Euro 5.00 for each Tender Form submitted.

The Appointed Intermediaries will pay on to the Depositary Intermediaries 50% of the commission referred to in point 2(i) above in relation to the value of the Shares purchased by the Offeror through the latter, as well as the entire fixed commission referred to in point 2(ii) above for the Tender Forms submitted to them.

The commissions referred to in point 2 will be paid to the Appointed Intermediaries when the Offer has closed and in any case after receipt by the Intermediary Appointed to Coordinate the Collection of the Tenders of the amounts due from the Offeror.

No cost will be debited to the Tenderers.

## **L. IN THE EVENT OF ALLOCATION (RIPARTO)**

If at the end of the Acceptance Period the total number of shares tendered in acceptance of the Offer is lower than or equal to the maximum number of Shares Eligible for Tender (and the Conditions for the Offer to be Effective have been fulfilled or waived), the Offeror will go ahead and accept all the Shares tendered.

If however at the end of the Acceptance Period the total number of shares tendered in acceptance of the Offer is higher than the maximum number of Shares Eligible for Tender (and the Conditions for the Offer to be Effective have been fulfilled or waived), there will be an Allocation process following the pro-rata method on the basis of which the Offeror will buy from all the Shareholders the same proportion (equal to the Allocation Coefficient) of the Shares that they tendered to the Offer.

More specifically, (i) the Definitive Allocation Coefficient, where applicable, will be calculated, and will be equal to the ratio of maximum number of Shares Eligible for Tender to the total number of shares tendered in acceptance of the Offer, and will be announced by 7:29 a.m. on the Stock Exchange Trading Day before the Payment Date, and (ii) the Offeror will take from each Tenderer a number of Shares equal to the product of (a) the number of shares tendered in acceptance of the Offer and (b) the Allocation Coefficient, rounded down to nearest whole number of shares.

If the Shares tendered under the Offer by a single Shareholder are identified by different identification codes, in order to safeguard the positions matured in relation to the possibility of exercising increased voting rights, in the event of an Allocation process, the Offeror will take Shares from each Tenderer following the following order of priority:

- (i) firstly, the shares identified by ISIN code IT0000070786 will be taken;
- (ii) secondly, the shares awaiting registration in CIR's stable shareholders book, identified by XXITV0000172 will be taken;
- (iii) thirdly, the shares recorded in CIR's stable shareholders book awaiting increased voting rights, identified by code XXITV0000180 will be taken;
- (iv) fourthly, the shares with Increased Voting Rights, identified by ISIN code IT0005241762 will be taken.

In the event that tenders are received from a certain Tenderer through multiple Depositary Intermediaries, the waterfall order described above will be applied by each Depositary Intermediary, exclusively on the shares tendered through that Intermediary, therefore without taking into account of any other shares tendered by the same Tenderer through other Intermediaries.

By the evening of the last day of the Acceptance Period, and in any case no later than 7:29 a.m. of the first Stock Exchange Trading Day after the end of the Acceptance Period, i.e. by December 16 2024,

unless the Acceptance Period is extended, the Offeror will issue the Press Release on the Provisional Results of the Offer, indicating, where applicable, the provisional Allocation Coefficient.

No later than 7:29 a.m. on the Stock Exchange Trading Day before the Payment Date, i.e., by December 19 2024, unless the Acceptance Period is extended, the Offeror will issue the Press release on the Definitive Results, indicating, where applicable, the definitive Allocation Coefficient.

It should be noted that if all the Shares, excluding the 32,022,506 Own Shares held by CIR as of the Date of the Offer Document and the 378,236,345 Shares that FDB has excluded from the Offer, were tendered in acceptance of the Offer, the Allotment Coefficient would be 20.590% (which is the minimum Allotment Coefficient). Therefore, by way of example, in the above scenario, if a shareholder were to tender 1,000 Shares, the Issuer would redeem 205 Shares at a price of Euro 0.61 per share and return the remaining 795 Shares to that tenderer.

The shares remaining after the Allocation will be made available to the Tenderers by the end of the first Stock Exchange Trading Day after the Press Release on the Definitive Results. The fact that there is an Allocation process will mean that Tenders cannot be revoked.

In any case it is understood that, in the event that shares are returned after an Allocation process, the Tenderer will have the right to receive shares that have the same rights (such as, for example, increased voting rights as per the terms of Art. 127-*quinquies* of the TUF, or accrual of the right to obtain increased voting rights, or the right to be registered in CIR's stable shareholders book) that they would have had if they had not accepted the Offer.

For further information on the Allocation process, see Section A, Paragraph A.2, of the Offer Document.

## M. APPENDICES

The essential information of the Agreement, published pursuant to Article 122 of the TUF and Article 130 of the Rules for Issuers, is stated below.

*Shareholders' agreement concerning shares of Fratelli De Benedetti S.p.A. and CIR S.p.A. – Compagnie Industriali Riunite. Essential information pursuant to Article 130 of Consob Regulation No. 11971/1999.*

\*\* \*\* \*

Update to March 18 2024 of the essential information pursuant to Article 131, paragraphs 3 and 4, of Consob Regulation No. 11971/1999 following:

- with regard to the financial instruments of CIR S.p.A. - Compagnie Industriali Riunite: change in the number of total voting rights, amounting to 1,634,949,188, and therefore in the percentages of voting rights attributable to Fratelli De Benedetti S.p.A. and to Rodolfo De Benedetti (directly and indirectly) with respect to total voting rights, following the waivers of the increased voting rights made during 2024 and referred to in the press releases issued by the Company on February 2 2024 and March 6 2024;
- tacit renewal of the Shareholders' Agreement, for a further three years, starting from the first expiry date (i.e. March 16 2024) and therefore until March 16 2027, due to the participants' failure to terminate.

Pursuant to Article 122, paragraph 1, of Legislative Decree no. 58/1998 (the "**TUF**") and Article 130 of Consob Regulation No. 11971/1999 (the "**Rules for Issuers**"), the following is hereby stated.

### Recitals

- (a) On March 12 2021, the general meeting of Fratelli De Benedetti S.p.A. (the '**Holding Company**'), shareholder of CIR S.p.A. - Compagnie Industriali Riunite ('**CIR**'), a company with ordinary shares listed on the Mercato Telematico Azionario organised and managed by Borsa Italiana S.p.A. ('**MTA**'), approved, among other things, the adoption of new bylaws (the '**New Bylaws**') setting forth organisational rules that - without affecting the control structure of the Holding Company which, even after the entry into force of the New Bylaws, is not controlled by any entity pursuant to Article 93 of the TUF - seek, among other things, to (i) promote the stability of the shareholding structure, while at the same time ensuring an equal degree of representation of the current shareholders of the Holding Company, who together own 100% of the share capital (33.333% each), and of their respective descendants in the corporate bodies; and (ii) ensure the involvement of the shareholders (through authorisation from the General Meeting) in decisions on certain significant transactions concerning the reduction and/or increase of the shareholding held by the Holding Company in CIR from time to time;
- (b) on March 12 2021, the Holding Company, its shareholders, Rodolfo Lorenzo Franco De Benedetti ('**RDB**'), Marco De Benedetti ('**MDB**') and Edoardo De Benedetti ('**EDB**'), as well as Margherita Crosetti ('**MC**') (as holder of the usufruct with voting rights on part of the

Holding Company's shares) (the "**Parties**") signed a shareholders' agreement (the "**Shareholders' Agreement**") to govern *(i)* certain obligations of prior consultation among the shareholders of the Holding Company on the vote to be expressed in general meetings called to deliberate on the matters referred to in recital (a), point (ii) above, and,

*(ii)* if the consultation relates to a transaction involving the transfer by the Holding Company of a significant shareholding in CIR, the rights of the shareholders in relation to the purchase of the CIR shares to be transferred; all under the terms described below. The Shareholders' Agreement has been effective since March 16 2021, the effective date of the New Bylaws (the '**Reference Date**').

**1. Type of agreement**

The agreements contained in the Shareholders' Agreement qualify as significant shareholders' agreements pursuant to Article 122, paragraphs 1 and 5, letters (a), (b) and (c) of the TUF.

**2. Companies whose financial instruments are the subject of the Shareholders' Agreement**

The agreements contained in the Shareholders' Agreement concern the Holding Company and CIR. In particular:

- (a)* the significant shareholders' agreements pursuant to Article 122, paragraph 1 and 5, letter a) of the TUF relate to Fratelli De Benedetti S.p.A., a company incorporated under the Italian law, with registered office at Via Valeggio 41, Turin, subscribed and paid-in share capital of Euro 170,820,000, tax code and registration with the Turin Register of Companies no. 05936550010, as indicated in paragraph 3.1 below; no party controls Fratelli De Benedetti S.p.A. pursuant to Article 93 TUF;

**Information update pursuant to Article 131, third paragraph, of the Rules for Issuers:** as of January 4 2023, the subscribed and paid-up share capital of the Holding Company, Fratelli De Benedetti S.p.A., is equal to Euro 999,000.

- (b)* the significant shareholders' agreements pursuant to Article 122, paragraph 5, letters b) and c) of the TUF, concern CIR S.p.A. - Compagnie Industriali Riunite, with registered office at Via Ciovassino 1, Milan, subscribed and paid-up share capital of Euro 638,603,657.00, divided into a total of 1,277,207,314 ordinary shares, for a total of 1,712,652,763 voting rights, tax code and registration with the Register of Companies of Milan Monza Brianza Lodi no. 01792930016, a company with ordinary shares listed on the MTA as indicated in paragraph 3.2 below, CIR is controlled by Fratelli De Benedetti S.p.A. as per the terms of Art. 93 TUF.

**Information update pursuant to Article 131, third paragraph, of the Rules for Issuers:** as of March 18 2024, the subscribed and paid-up share capital of CIR S.p.A. is equal to Euro 420,000,000.00, divided into a total of 1,107,207,314 ordinary shares, for a total of 1,634,949,188 voting rights.

### 3. *Parties to the Shareholders' Agreement and financial instruments held by them*

The agreements contained in the Shareholders' Agreement are binding on the Parties and, therefore:

- Fratelli De Benedetti S.p.A.;
- Rodolfo Lorenzo Franco De Benedetti, born in Turin, on July 2 1961, tax code DBN RLF 61L02 L219N;
- Marco De Benedetti, born in Turin, on September 9 1962, tax code DBN MRC 62P09 L219Z;
- Edoardo De Benedetti, born in Turin, on December 7 1964, tax code DBN DRD 64T07 L219A;
- Margherita Crosetti, born in Siena, on July 15 1935, tax code CRS MGH 35L55 I726O, as holder of the usufruct with voting rights on part of the Holding's shares.

#### 3.1. *Holding Company's financial instruments*

As of the Reference Date, the following investments are held in the Holding Company:

Holder	no. of shares			% of share capital	% of shares contributed	Share category
	Full ownership	Bare ownership without voting rights	Usufruct with voting rights until March 23 2022			
EDB	4,023	56,935,977	-	0.002%	0.002%	Category A shares
MC	-	-	56,935,977	33.331	33.331%	Category A shares
MDB	56,940,000	-	-	33.333%	33.333%	Category B shares
RDB	56,940,000	-	-	33.333%	33.333%	Category C shares
Total	113,884,023	56,935,977	56,935,977	100%	100%	
	170,820,000					

Hereinafter, Category A shares, Category B shares and Category C shares are referred to as '**Category A/B/C shares**'.

**Information update pursuant to Article 131, third paragraph, of the Rules for Issuers:** as of January 4 2023, the following investments are held in the Holding Company. Please note that the only change in the schedule below consists in the different expiry date of the usufruct with voting right held by MC (March 23 2024 as opposed to March 23 2022)

Holder	no. of shares			% of share capital	% of shares contributed	Share category
	Full ownership	Bare ownership without voting rights	Usufruct with voting rights until March 23 2024			
EDB	23	332,977	-	0.002%	0.002%	Category A shares
MC	-	-	332,977	33.331	33.331%	Category A shares
MDB	333,000	-	-	33.333%	33.333%	Category B shares
RDB	333,000	-	-	33.333%	33.333%	Category C shares
Total	666,023	332,977	332,977	100%	100%	
	999,000					

The significant shareholders' agreements within the meaning of Article 122, paragraphs 1 and 5, letter (a) of the TUF refer to all shares representing 100% of the Holding Company's share capital.

The provisions of the Shareholders' Agreement will bind all Category A/B/C Shares acquired by RDB, MDB and EDB in any capacity during the validity of the Shareholders' Agreement, as well as by their respective successors and assigns who become, from time to time, holders of Category A/B/C Shares (collectively, the "**Participants**").

### 3.2. CIR's financial instruments

As of the Reference Date, the Holding Company holds 392,851,536 ordinary shares, equal to 30.759% of the total ordinary shares, for 766,293,380 voting rights, equal to 44.743% of the total voting rights, of CIR.



**Information update pursuant to Article 131, paragraph 3, of the Rules for Issuers:** as of March 18 2024, following the change in the number of shares making up the share capital that occurred in 2022 and in the number of CIR's total voting rights (as indicated in the recitals), the percentage held by the Holding Company was 35.956% of the total ordinary shares making up the share capital (the Holding Company holds 398,116,475 ordinary shares) and 47.087% of CIR's total voting rights.

The provisions of the Shareholders' Agreement that are significant as per the terms of Art. 122, paragraph 5, letters b) and c) of the TUF refer to **(a)** all the CIR ordinary shares held by the Holding Company from time to time, as well as **(b)** any financial instrument **(i)** into which CIR shares may be transformed and/or converted as a result of extraordinary transactions involving, in full or in part, CIR and/or regarding its shares; and/or **(ii)** that may be offered in exchange and/or in conversion as a result of the transactions referred to in point (i) above (the "**CIR Shares**").

In the Shareholders' Agreement, the Parties acknowledged that, as of March 12 2021, RDB directly and indirectly holds a total of 16,497,569 CIR ordinary shares, equal to 1.292% of the total shares, for 16,497,569 voting rights, representing 0.963% of the total voting rights.

**Information update pursuant to Article 131, paragraph 3, of the Rules for Issuers:** as of March 18 2024, following the change in the number of shares constituting the share capital that occurred in 2022 and in the number of CIR's total voting rights (as indicated in the recitals), the percentage held by RDB was 1.49% of the total ordinary shares making up the share capital and 1.009% of CIR's total voting rights.

#### **4. *Content of the Shareholders' Agreement***

##### **4.1. *Consultation obligations and shareholder voting agreement***

Under the Shareholders' Agreement, the Participants are obliged to consult each other before each General Meeting of the Holding Company called to deliberate on authorisations to the board of directors, pursuant to Article 2364, paragraph 1, no. 5, of the Civil Code and the New Bylaws, to carry out the following transactions:

- (a)** the transfer (or proposed transfer) (as defined in the Bylaws) to direct and/or indirect third parties, in whatever form implemented, of as many CIR Shares as represent more than 3% (three per cent) of all the CIR Shares outstanding at the time, whether such a transfer is to be carried out in a single transaction, or whether it is to be implemented in the 12 (twelve) months after the date on which the resolution is approved, in a number of tranches, through a series of associated transactions forming a single scheme; and/or

- (b) the purchase of CIR Shares, and/or subscription of CIR Shares in the context of capital increases, and/or request for increased voting rights for CIR Shares held by the Holding Company, if and to the extent that such purchase and/or subscription and/or increase involves an obligation on the part of the Holding Company to launch a takeover bid on CIR

(the matters referred to in (a) and (b) above, the “**Significant General Assembly Matters**”).

All Participants and MC are obliged to cast their votes at the Holding Company’s general meeting called to deliberate on a Significant General Meeting Matter in accordance with the decision taken unanimously by all Participants at the consultation; at that meeting, each Participant shall vote for or against the approval of the Significant General Meeting Matter (and any abstentions shall be added to the votes against). In the absence of unanimous agreement, each Participant entitled to vote and MC shall be free to decide how to cast their vote at the meeting in question, subject to the following clarifications.

#### 4.2. Consultation on Significant Transactions

In the event that the General Meeting of the Holding Company is called upon to authorise the transfer - or the proposed transfer - (as defined in the Shareholders' Agreement) to a third party of as many CIR Shares as represent more than 3% of all the CIR Shares outstanding from time to time ("**Significant Shareholding**" and the CIR Shares comprising it, the "**CIR Shares to be Transferred**"), whether such a transfer is to be carried out in a single transaction, or whether it is to be implemented in the 12 (twelve) months after the date on which the resolution is approved, in a number of tranches, through a series of associated transactions forming a single scheme (the "**Significant Transaction**"), the following provisions will apply.

##### 4.2.1. *Disclosure Obligations of the Holding Company*

If the Holding Company intends to carry out a Significant Transaction, it shall inform the Participants in advance and disclose the following:

- (a) if the Significant Transaction consists in the initiation of a divestment process to transfer the Significant Shareholding to one or more unidentified third parties, or third parties who, even if identified, have not made a written binding offer to purchase the Significant Shareholding (the "**Divestment**"):
  - (i) the total number of CIR Shares to be Transferred; and
  - (ii) the arithmetic average of the official prices recorded by CIR Shares during the 30 (thirty) Stock Exchange Trading Days preceding the date of this disclosure;

or if the Significant Transaction consists in the transfer of the Significant Shareholding to one or more third parties, who have made an unsolicited, written binding offer to acquire the

Significant Shareholding (the "**Proposed Transfer**"):

- (iii) information regarding the identity of the proposed transferee(s) and, if known, of the parties controlling it/them (the "**Proposed Transferee**");
- (iv) an indication of the total number of CIR Shares to be transferred;
- (v) the price for the Proposed Transfer with indication, where the price for the Proposed Transfer does not consist entirely of cash, of the equivalent cash value of the price attributable to the CIR Shares to be Transferred; and
- (vi) any other terms and conditions applicable to the Proposed Transfer.

#### *4.2.2. Consultation on Significant Transactions*

Consultation on Significant Transactions will take place during a meeting of the Participants (the "**Participants' Meeting**"), convened by written notice by the most senior Participant or by two Participants jointly (the "**First Consultation**").

The convening notice shall also state the day on which the Participants' Meeting shall meet again ("**Second Consultation**"), if during the First Consultation the meeting quorum is not met or a unanimous decision on the vote to be cast in the Holding Company's general meeting is not reached. The Participants' Meeting may be held, whether in First Consultation or in Second Consultation, even without prior convocation, provided that all Participants attend.

The Participants' Meeting shall be validly constituted, in First Consultation, with the attendance of all the Participants and, in Second Consultation, with the attendance of as many Participants as, taken together, hold Category A/B/C Shares representing more than 50% of the share capital of the Holding Company.

Where, in First Consultation,

- (a) a unanimous decision is reached among all Participants on the vote to be cast at the Holding Company's general meeting, all Participants entitled to vote at the Holding Company's general meeting and MC shall vote at that meeting in accordance with the decision taken;
- (b) no unanimous agreement is reached among all Participants on the vote to be cast in the Holding Company's general meeting, or the meeting quorum is not reached, the Second Consultation shall be held, in which case the following shall apply:
  - (i) if all Participants attend and a unanimous decision is reached, all Participants with voting rights and MC shall vote in the Holding Company's general meeting in accordance with the decision taken;
  - (ii) if the Participants holding as many Category A/B/C Shares which, taken together,

represent more than 50% of the share capital vote in favour, all the Participants entitled to vote and MC may freely determine the vote to be cast at the Holding Company's general meeting (without prejudice to point (iii) of paragraph 4.3);

- (iii) if the Participants' Meeting is not duly constituted due to failure to meet the quorum and/or the situations set forth in points (i) and/or (ii) above do not occur, all the Participants with voting rights and MC shall vote in the Holding Company's general meeting against the authorisation of the Significant Transaction.

Under the Shareholders' Agreement the Participants and MC undertake to do everything in their power to ensure that no Significant Transaction is authorised by the Holding Company's general meeting if the consultation procedure has not been carried out beforehand.

#### 4.3. Purchase option and pre-emption right of Participants voting against the authorisation of the Significant Transaction

Pursuant to the Shareholders' Agreement, if during the Second Consultation on a Significant Transaction, all the Participants are unable to reach a unanimous decision, but there is nevertheless the favourable vote of as many Participants who, taken together, hold Category A/B/C Shares representing more than 50% of the share capital of the Holding Company, those Participants who voted against the authorisation of the Significant Transaction (excluding, for the sake of clarity, any abstentions) (each of these Participants, individually, the "**Entitled Participant**") will have the right to purchase from the Holding Company the CIR Shares to be Transferred, by exercising:

- (a) in the event of a Divestment, a purchase option (the "**Purchase Option**"), which can be exercised at a price per CIR Share to be Transferred equal to the arithmetic average of the official prices recorded for CIR Shares in the 30 Stock Exchange Trading Days preceding the date on which the Holding Company informs the Participants of its intention to initiate a Divestment;
- (b) in the event of a Proposed Transfer, the pre-emption right (the "**Pre-emption Right**"), which may be exercised (i) for a price equal to the price offered by the Proposed Transferee, or (ii) if the price offered by the Proposed Transferee does not consist entirely of cash, for a price equal to the equivalent value in cash communicated by the Holding Company or, in the event of disagreement between one or more of the Entitled Participants and the Holding Company on such value, for a price determined in a definitive and binding manner by an arbitrator, without prejudice to certain further provisions concerning the conduct of the relevant procedure set out in the Shareholders' Agreement.

Furthermore, pursuant to the Shareholders' Agreement:

- (i) the Purchase Option, or the Pre-emption Right (as the case may be) may be exercised by each

Entitled Participant on all and not less than all of the CIR Shares to be Transferred, by the 3rd business day after the date of the Second Consultation (with the understanding that if any of the Entitled Participants is an insider for the purposes of the blocking period provided for in CIR's Internal Dealing Code and/or in applicable legislative and regulatory provisions on internal dealing, this period will be suspended until the first day following the expiry of the blocking period);

- (ii) where the Purchase Option or the Pre-emption Right (as the case may be) has been exercised by more than one Entitled Participant, the CIR Shares to be Transferred will be allocated among them on a pro-rata basis, in proportion to the percentage represented by the Category A/B/C Shares of each Eligible Participant who exercised the Purchase Option or the Pre-emption Right (as the case may be) with respect to the total number of Category A/B/C Shares owned by all the Eligible Participants who exercised the Purchase Option or the Pre-emption Right (as the case may be);
- (iii) where one or more of the Entitled Participants exercise the Purchase Option or the Pre-emption Right (as the case may be), as an derogation from the provision of letter (b)(ii) of paragraph 4.2.2 above, all the Participants with voting rights and MC must vote at the Holding Company's general meeting in favour of authorising the transfer of the CIR Shares to be Transferred to these Entitled Participants.

#### 4.4. Consultation on further Significant General Meeting Matters

Under the Shareholders' Agreement, the Participants undertake to consult each other, in good time before each general meeting of the Holding Company called to deliberate on Significant General Meeting Matters other than a Significant Transaction, to discuss and agree in good faith on a common course of conduct and voting at the Holding Company's general meeting. In such a case, pursuant to the Shareholders' Agreement, the Participants' Meeting will meet in First Consultation only and will be validly constituted regardless of the share capital of the Holding Company represented by the Participants attending.

Where:

- (a) all Participants take part in the consultation and a unanimous agreement is reached among all Participants on the vote to be cast, each Participant entitled to vote and MC shall vote in the Holding Company's general meeting in accordance with the decision taken in the consultation;
- (b) no unanimous agreement is reached between all Participants, each Participant entitled to vote and MC may freely determine the vote to be cast at the Holding Company's general meeting.

#### 4.5. Rules governing takeover bids

Each Participant has undertaken, for the entire duration of the Shareholders' Agreement, not to enter into or participate in (and, as far as is reasonably possible, in their capacity as a shareholder of the Holding Company, to ensure that the Holding Company does not enter into or participate in), directly and/or indirectly, including through its subsidiaries or related parties, any agreement or transaction, or in any case not to engage in (and, as far as is reasonably possible, in their capacity as shareholder of the Holding Company, to ensure that the Holding Company does not engage in) any conduct (including the purchase of CIR Shares) that could give rise to a joint obligation on the part of the Participants or to an obligation on the part of the Holding Company to launch, in accordance with the applicable legislation, a mandatory takeover bid. In the event that a Participant is in breach of its obligations, such Participant will be obliged to **(a)** indemnify and hold harmless every other Participant and/or the Holding Company from any damage, loss, cost and expense that every other Participant or the Holding Company (as the case may be) incurs as a result of such breach; to **(b)** assume full responsibility for the mandatory takeover bid, if necessary, and/or for the sale of the excess CIR Shares owned by (if applicable); and to **(c)** bear all costs associated with the mandatory takeover bid and all other costs (including consultancy costs) incurred by the other Participants and/or the Holding Company (as the case may be).

#### 5. *Duration of the Shareholders' Agreement*

The Shareholders' Agreement is effective from March 16 2021 and will remain in force until the expiry of the 3rd anniversary of that date (i.e., March 16 2024).

**Information update pursuant to Article 131, paragraph 4, of the Rules for Issuers:** as the participants have not terminated the Agreement, it shall be renewed for a further three-year period and therefore until March 16 2027.

The Parties also agreed that: **(a)** upon expiry, the Shareholders' Agreement shall be automatically renewed for further 3 year periods, except for the Party who has given notice of termination to the other Parties at least 3 months prior to each expiry date; **(b)** in the event that such notice of termination is given by as many Participants as represent, taken together, more than 50% of the share capital of the Holding Company, upon its expiry the Shareholders' Agreement shall not be renewed for any of the Parties; and **(c)** the Shareholders' Agreement shall cease to be effective with respect to MC when her right of usufruct ends.

#### 6. *Entity exercising control pursuant to Article 93 of the TUF*

The provisions of the Shareholders' Agreement do not affect the control of Fratelli De Benedetti S.p.A.

or CIR. As of the Reference Date, CIR is controlled, pursuant to Article 93 of the TUF, by Fratelli De Benedetti S.p.A.

As of the Reference Date, Fratelli De Benedetti S.p.A. is not subject to the control of any entity, pursuant to Article 93 of the TUF.

**7. *Filing of the Shareholders' Agreement at the Register of Companies***

The agreements contained in the Shareholders' Agreement were filed at the Register of Companies of Milan Monza Brianza Lodi on March 16 2021.

**8. *Website where the essential information on the Shareholders' Agreement is published***

The essential information on the agreements contained in the Shareholders' Agreement is published, pursuant to Article 130 of the Rules for Issuers, on CIR's website at [www.cirgroup.it](http://www.cirgroup.it).

March 16 2021

**Information update pursuant to Article 131, paragraph 4, of the Rules for Issuers March 18 2024**

**N. DOCUMENTS MADE AVAILABLE TO THE PUBLIC, EVEN BY REFERENCE, AND PLACES OR SITES WHERE THESE DOCUMENTS ARE AVAILABLE FOR CONSULTATION**

These documents are available to interested parties:

- the Issuer's financial statements and consolidated financial statements for the year 2023, accompanied by the directors' report on operations, the report of the Board of Statutory Auditors and the reports of the independent auditors KPMG S.p.A., are available at CIR's registered office at Via Ciovassino 1, Milan, as well as on the Issuer's website at [www.cirgroup.it](http://www.cirgroup.it) in the "*Governance / Voluntary partial public tender offer*" area.
- the Offer Document, with the Acceptance Form, is available to the public for consultation at CIR's registered Office at Via Ciovassino, n.1, as well as at the offices of the Intermediary Appointed to Coordinate the Collection of the Tenders, Società per Amministrazioni Fiduciarie "SPAFID" S.p.A., in Foro Buonaparte 10, 20121, Milano at the offices of the Appointed Intermediaries BNP Paribas, Succursale Italia, Piazza Lina Bo Bardi 3, 20124, Milano, and EQUITA SIM S.p.A. Via Turati 9, 20121, Milano and on the Issuer's website at [www.cirgroup.it](http://www.cirgroup.it) in the "*Governance / Voluntary partial public tender offer*" area.

The press release disclosing the publication of the Offer Document will be published, as per the terms of Art. 38, paragraph 2 and Art. 36 of the Rules for Issuers, on November, 22 2024.




## DECLARATION OF RESPONSIBILITY

Responsibility for the completeness and truthfulness of the data and the information contained in this Offer Document lies with the Offeror.

The Offeror declares that as far as it is aware the data contained in the Offer Document correspond to reality and that there are no omissions that could alter its effect.

**CIR S.p.A. – Compagnie Industriali Riunite**

	
Name:	Rodolfo De Benedetti
Position:	Chairman of the Board of Directors