



# 20 Interim 23 Condensed Consolidated Financials

as of March 31, 2023

## Interim consolidated statement of financial position

	Notes	As of March 31, 2023	<i>of which with related parties</i>	As of December 31, 2022	<i>of which with related parties</i>
<i>(in € thousands)</i>					
<b>ASSETS</b>					
Goodwill and other intangible assets	16	128,356		131,552	
Property, plant and equipment	17	196,252		184,177	
Equity-accounted investees	18	122,664		122,664	
Financial assets, including derivatives	19	4,496		4,610	
Deferred tax assets		11,567		13,096	
Other receivables	20	9,027	52	9,030	52
Employee benefits	27	3,310		3,331	
<b>Total non-current assets</b>		<b>475,672</b>		<b>468,460</b>	
Inventory	21	293,810		295,476	
Financial assets, including derivatives	19	48,891		159,036	
Current tax assets	22	4,883	376	4,893	376
Construction contracts	23	29,629		29,135	
Trade receivables	24	145,473	31,242	123,421	7,267
Other receivables	20	38,151		33,074	
Cash and cash equivalents	25	109,638		174,129	
<b>Total current assets</b>		<b>670,475</b>		<b>819,164</b>	
<b>TOTAL ASSETS</b>		<b>1,146,147</b>		<b>1,287,624</b>	
<b>EQUITY AND LIABILITIES</b>					
Equity attributable to Owners of the parent		758,219		741,218	
Equity attributable to non-controlling interest		4,989		3,586	
<b>TOTAL EQUITY</b>	26	<b>763,208</b>		<b>744,804</b>	
Employee benefits	27	23,339		23,959	
Provisions for risks and charges	28	2,129		2,142	
Deferred tax liabilities		7,326		8,664	
Financial liabilities, net of current portion	29	121,504		267,544	
Trade payables	30	82		83	
Income tax payable		-		-	
Other payables	32	2,203	432	2,384	444
<b>Total non-current liabilities</b>		<b>156,583</b>		<b>304,776</b>	
Provisions for risks and charges	28	18,447		18,546	
Financial liabilities	29	26,116		13,655	
Construction contracts	23	11,656		12,702	
Trade payables	30	76,637	819	80,554	889
Income tax payable	31	13,841		10,970	-
Other payables	32	79,659	16,418	101,617	34,869
<b>Total current liabilities</b>		<b>226,356</b>		<b>238,044</b>	
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,146,147</b>		<b>1,287,624</b>	

## Interim consolidated income statement

Notes	Three months 2023	<i>of which with related parties</i>	Three months 2022	<i>of which with related parties</i>	
	<i>(in € thousands)</i>				
Revenues	4	216,881	56,339	200,080	28,993
Change in inventory of finished goods and work in progress	5	16,830		6,807	
Other income	6	1,415	168	1,600	209
Costs for raw materials, consumables, supplies and goods	7	(106,711)	(2)	(89,319)	(400)
Personnel expenses	8	(36,220)	(1,231)	(31,038)	(1,060)
Costs for services	9	(42,702)	(368)	(31,618)	(250)
Other operating expenses	10	(1,877)	(1)	(2,067)	
Amortization and depreciation	16–17	(7,240)		(6,757)	
Impairment (losses)/revaluations and provisions for risks and charges	11	(721)		(956)	
<b>Operating profit</b>		<b>39,655</b>		<b>46,732</b>	
Share of profit of equity-accounted investees	18	-		(6,337)	
Finance income	12	2,400		7,433	
Finance expenses	13	(6,325)		(6,090)	
<b>Profit before tax</b>		<b>35,730</b>		<b>41,738</b>	
Income tax expense	14	(10,727)		(15,198)	
<b>Profit for the period</b>		<b>25,003</b>		<b>26,540</b>	
Attributable to:					
<i>Owners of the parent</i>		24,491		26,108	
<i>Non-controlling interests</i>		512		432	
<b>Basic and diluted earnings per share (in Euro)</b>	15	<b>0.12</b>		-	
<b>Basic and diluted earnings per share (A, B, C shares) (in Euro)</b>	15	-		<b>0.15</b>	
<b>Basic and diluted earnings per share (D shares) (in Euro)</b>	15	-		<b>0.01</b>	

## Interim consolidated statement of comprehensive income

	<b>Three months 2023</b>	<b>Three months 2022</b>
	<i>(in € thousands)</i>	
<b>Profit for the period</b>	25,003	26,540
<b>Items that will not be reclassified to profit or loss:</b>		
Actuarial reserve	-	135
Tax effect	-	(41)
<b>Total items that will not be reclassified to profit or loss, net of the tax effect (A)</b>	<b>-</b>	<b>94</b>
<b>Items that may be reclassified subsequently to profit or loss:</b>		
Effective portion of the change in fair value of financial instruments cash flows hedges	7	(183)
Change in fair value of financial assets	373	23
Translation reserve	(7,933)	3,389
Tax effect	(91)	38
<b>Total items that may be reclassified subsequently to profit or loss, net of the tax effect (B)</b>	<b>(7,644)</b>	<b>3,267</b>
<b>Total other comprehensive income net of the tax effects (A + B)</b>	<b>(7,644)</b>	<b>3,361</b>
<b>Total comprehensive income</b>	<b>17,359</b>	<b>29,901</b>
Attributable to:		
<i>Owners of the parent</i>	16,856	29,463
<i>Non-controlling interests</i>	503	438

## Interim consolidated statement of cash flows

Notes	Three months 2023	<i>of which with related parties</i>	Three months 2022	<i>of which with related parties</i>
<i>(in € thousands)</i>				
<b>Cash flows from operating activities</b>				
Profit for the period	26	25,003	26,540	
<i>Adjustments for:</i>				
Amortization and depreciation	16-17	7,240	6,757	
Impairment losses/(reversal) of property, plant and equipment	11-16-17	-	247	
Finance expenses	13	6,325	6,090	-
Finance income	12	(2,400)	(7,433)	
Share of profit of equity-accounted investees	18		6,337	6,337
(Gains) losses on the sale of property, plant and equipment and intangible assets	16-17	172	133	
Income tax expense	14	10,727	15,198	
Share based payments	26	145	-	
Change in inventory	21	(2,270)	(7,693)	
Change in trade receivables and construction contracts	23-24	(25,600)	(24,185 ) (15,320)	2,696
Change in trade payables	30	(2,987)	(55) (7,937)	111
Change in other receivables/payables	20-32	(27,676)	(18,411 ) (9,006)	(7,718)
Change in provisions and employee benefits	27-28	(514)	46	
<b>Cash flows generated by/(used in) operating activities</b>		<b>(11,834)</b>	<b>13,958</b>	
Interests and other finance expenses paid	13	(3,562)	(1,009)	
Interests and other finance income collected	12	730	87	
Income tax paid	14	(6,151)	(13,412)	
<b>Net cash flows generated by/(used in) operating activities</b>		<b>(20,818)</b>	<b>(376)</b>	
<b>Cash flows from investing activities</b>				
Sales of property, plant and equipment and intangible assets	16-17	9	40	
Investments in property, plant and equipment	16-17	(17,819)	(4,672)	
Investments in intangible assets	16-17	(1,860)	(1,997)	
Investments in associated companies		-	(17)	(17)
Investments in financial activities	19	110,058	(2,725)	
<b>Net cash flows generated by/(used in) investing activities</b>		<b>90,387</b>	<b>(9,371)</b>	
<b>Cash flows from financing activities</b>				
Share capital increase	26	900	-	
New loans	29	13,649	9,713	
(Repayments) of loans	29	(147,049)	(164)	
Payment of leases	29	(461)	(306)	
Increase (decrease) in other financial liabilities	29	(2)	(77)	
<b>Net cash flows generated by/(used in) financing activities</b>		<b>(132,963)</b>	<b>9,166</b>	
<b>Net increase (decrease) in cash and cash equivalents</b>				
		<b>(63,394)</b>	<b>(581)</b>	
Opening cash and cash equivalents		174,129	73,843	
Exchange rate gains/(losses)		(1,097)	607	
<b>Closing cash and cash equivalents</b>	25	<b>109,638</b>	<b>73,869</b>	

## Interim statement of changes in the net consolidated equity

<i>(in € thousands)</i>	Notes	Share capital	Legal reserve	Share premium	Retained earnings	Translation reserve	Other reserves	Profit for the period	Equity attributable to the Owners of the parent	Equity attributable to non controlling interests	Total Equity
<b>Balance as of December 31, 2021</b>	26	<b>16,786</b>	<b>3,357</b>	<b>24,915</b>	<b>340,546</b>	<b>5,563</b>	<b>(7,404)</b>	<b>66,696</b>	<b>450,459</b>	<b>3,503</b>	<b>453,962</b>
<b>Transactions with shareholders:</b>											
Allocation of profit for 2021		-	-	-	66,696	-	-	(66,696)	-	-	-
<b>Comprehensive income statement:</b>											
Profit for the period		-	-	-	-	-	-	26,108	26,108	432	<b>26,540</b>
Actuarial reserve		-	-	-	-	-	94	-	94	-	<b>94</b>
Effective portion of the change in fair value of financial instruments hedging cash flows		-	-	-	-	-	(140)	-	(140)	-	<b>(140)</b>
Change in fair value of financial assets		-	-	-	-	-	9	-	9	9	<b>18</b>
Translation reserve		-	-	-	-	3,392	-	-	3,392	(3)	<b>3,389</b>
<b>Balance as of March 31, 2022</b>	26	<b>16,786</b>	<b>3,357</b>	<b>24,915</b>	<b>407,242</b>	<b>8,955</b>	<b>(7,441)</b>	<b>26,108</b>	<b>479,922</b>	<b>3,941</b>	<b>483,863</b>
<b>Balance as of December 31, 2022</b>	26	<b>18,268</b>	<b>3,357</b>	<b>223,433</b>	<b>387,242</b>	<b>5,059</b>	<b>14,295</b>	<b>89,564</b>	<b>741,218</b>	<b>3,586</b>	<b>744,804</b>
<b>Transactions with shareholders:</b>											
Share capital increase		-	-	-	-	-	-	-	-	900	<b>900</b>
Allocation of profit for 2022		-	-	-	89,564	-	-	(89,564)	-	-	-
Other movements - Share based payments		-	-	-	-	-	145	-	145	-	<b>145</b>
<b>Comprehensive income statement:</b>											
Profit for the period		-	-	-	-	-	-	24,491	24,491	512	<b>25,003</b>
Actuarial reserve		-	-	-	-	-	-	-	-	-	-
Effective portion of the change in fair value of financial instruments hedging cash flows		-	-	-	-	-	5	-	5	-	<b>5</b>
Change in fair value of financial assets		-	-	-	-	-	246	-	246	38	<b>284</b>
Translation reserve		-	-	-	-	(7,886)	-	-	(7,886)	(47)	<b>(7,933)</b>
<b>Balance as of March 31, 2023</b>	26	<b>18,268</b>	<b>3,357</b>	<b>223,433</b>	<b>476,806</b>	<b>(2,827)</b>	<b>14,691</b>	<b>24,491</b>	<b>758,219</b>	<b>4,989</b>	<b>763,208</b>

# EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS OF MARCH 31, 2023

## A. GENERAL INFORMATION

### 1. GENERAL INFORMATION

Industrie De Nora S.p.A. (hereinafter the "**Company**" or "**IDN**" and together with its subsidiaries the "**Group**" or the "**De Nora Group**") is a joint-stock company incorporated and registered in Italy at the Companies Register Office of Milan. The Company, with registered office at Via Bistolfi 35 - Milan, Italy, has been listed on Euronext Milan since June 30, 2022.

Please note that these Condensed Consolidated Interim Financial Statements for the three months ended March 31, 2023 (hereinafter the "**Condensed Consolidated Interim Financial Statements**") were approved by the Company's Board of Directors on May 10, 2023.

### 2. SUMMARY OF THE ACCOUNTING PRINCIPLES ADOPTED AND THE CRITERIA ADOPTED FOR THE PREPARATION OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

#### 2.1 Criteria for the preparation of the Condensed Consolidated Interim Financial Statements

The De Nora Group has prepared these Condensed Consolidated Interim Financial Statements in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union and in accordance with IAS 34 - Interim Financial Reporting by applying the same accounting standards adopted in the preparation of the Consolidated Financial Statements as of December 31, 2022 and in effect as of March 31, 2023, hereinafter the "**IFRS**". The IFRS have been applied consistently in all the periods presented. These Condensed Consolidated Interim Financial Statements have been prepared in "condensed" form, i.e., with a significantly lower level of disclosure than required by IFRS, as permitted by IAS 34, and should therefore be read in conjunction with the Group's consolidated financial statements for the year ending December 31, 2022, prepared in accordance with IFRS and approved by the Board of Directors on March 22, 2023.

The Condensed Consolidated Interim Financial Statements consist of the interim consolidated statement of financial position, the interim consolidated income statement, the interim consolidated statement of comprehensive income, the interim statement of changes in the net consolidated equity, and the interim consolidated statement of cash flows, as well as the explanatory notes.

Assets and liabilities as of March 31, 2023 are compared with the consolidated statement of financial position as of December 31, 2022. The amounts in the consolidated income statement, consolidated statement of comprehensive income, statement of changes in the net consolidated equity, and consolidated statement of cash flows for the three months ended March 31, 2023, are compared with the respective amounts for the three months ended March 31, 2022.

The Group has chosen to present the consolidated income statement by the nature of the expenses, highlighting the interim results relating to the operating result and the result before tax.

The statement of financial position is prepared using the format whereby assets and liabilities are presented on a "current/non-current" basis. An asset is classified as current when:

- it is assumed that such asset is carried out, or is held for sale or consumption, in the normal course of the operating cycle;
- it is mainly owned for trading purposes;
- it is assumed that it will be realized within twelve months from the closing date of the period;



- it consists of cash and cash equivalents (unless it is forbidden to exchange it or use it to settle a liability for at least twelve months from the closing date of the financial year).

All other assets are classified as non-current. In particular, IAS 1 includes property, plant and equipment, intangible assets and long-term financial assets among non-current assets.

A liability is classified as current when:

- it is expected to be settled in the normal operating cycle;
- it is mainly owned for trading purposes;
- it will be settled within twelve months from the closing date of the period;
- there is no unconditional right to defer its settlement for at least twelve months after the end of the financial year. The clauses of a liability that could, at the option of the counterparty, give rise to its settlement through the issue of equity instruments, do not affect its classification.

All other liabilities are classified by the company as non-current.

The operating cycle is the time that elapses between the acquisition of assets for the production process and their realization in cash or cash equivalents. When the normal operating cycle is not clearly identifiable, its duration is assumed to be twelve months.

The consolidated statement of cash flows is prepared using the indirect method.

The statement of changes in the consolidated equity shows the changes in shareholders' equity items related to:

- the recognition of the result for the period and allocation of the result of the previous period;
- amounts relating to transactions with shareholders;
- all gains and losses, net of tax, which, as required by IFRS, are accounted for directly in equity (actuarial gains and losses arising from defined benefit plans and hedging reserves);
- changes in the fair value reserves relating to cash flow hedges, net of taxes;
- changes in the consolidation scope;
- the effect of the differences deriving from the conversion of the financial statements of foreign companies;
- changes in accounting policies.

The consolidated statement of comprehensive income presents, on a separate basis, the profit/(loss) for the period and any income and expense not recognized in the income statement, but is instead recognized directly in equity, in accordance with specific IFRS principles.

The Condensed Consolidated Interim Financial Statements have been drawn up in Euro, the Company's functional currency. The financial position and income statements, the explanatory notes and the tables are expressed in thousands of Euro, unless otherwise indicated.

The Condensed Consolidated Interim Financial Statements were prepared:

- on a going concern basis, as the Directors verified the absence of financial, management or other indicators that could indicate significant uncertainties about the Group's ability to meet its obligations in the foreseeable future and, in particular, in the 12 months following the closing date, as compared to the date of these interim financial statements. The assessments made confirm that the Group is able to operate in compliance with the going concern assumption and in compliance with financial covenants;



- on an accrual basis of accounting, in compliance with the principle of relevance and significance of the information, of the prevalence of substance over form and with a view to favoring consistency with future presentations. The assets and liabilities, costs and revenues are not offset against each other, unless this is permitted or required by IFRS;
- on the basis of the conventional historical cost criterion, except for the valuation of financial assets and liabilities in cases where the application of the fair value criterion is mandatory.

## 2.2 Accounting standards, amendments and interpretations that came into effect and applied as at January 1, 2023

The following new amendments were issued by the International Accounting Standards Board ("IASB") and adopted by the European Union, and are effective as of January 1, 2023:

Accounting principle/amendment	Approved by the EU	Effective date
Amendments to IFRS 17 (Insurance contracts): First application of IFRS 17 and IFRS 9 - Comparative information	YES	January 1, 2023
Amendments to IAS 1 Presentation of the Financial Statements and to IFRS Practice Statement 2: information on accounting policies	YES	January 1, 2023
Amendments to IAS 8 Accounting standards, changes in accounting estimates and errors: definition of accounting estimates	YES	January 1, 2023
Amendments to IAS 12 Income taxes: deferred taxes relating to assets and liabilities deriving from a "Single Transaction"	YES	January 1, 2023

These amendments did not result in any noteworthy impacts on the Condensed Consolidated Interim Financial Statements.

## 2.3 Accounting standards, amendments and interpretations not yet applicable

*Accounting standards not yet applicable, as they have not been endorsed by the European Union*

At the date of approval of these Condensed Consolidated Interim Financial Statements, the competent bodies of the European Union have not yet completed the approval process necessary for the adoption of the following accounting standards and amendments:

Accounting principle/amendment	Approved by the EU	Effective date
Amendments to IAS 1 Presentation of the Financial Statements: classification of liabilities as current or non-current	NO	January 1, 2024
Amendments to IAS 1 Presentation of the Financial Statements: classification of liabilities as current or non-current – deferral of effective date	NO	January 1, 2024
Amendments to IAS 1 Presentation of the Financial Statements: non-current liabilities with covenants	NO	January 1, 2024
Amendments to IFRS 16 Leases: lease liability in a sale and leaseback	NO	January 1, 2024

## 2.4 Structure, content and consolidation methods

The Condensed Consolidated Interim Financial Statements include the economic and financial position of the Company and its subsidiaries, prepared based on the related accounting situations and, where applicable, appropriately adjusted to make them compliant with IFRS.

As of March 31, 2023, the financial statements of the companies in which the Company directly or indirectly has control have been consolidated using the "full consolidation method", through the full assumption of the assets and liabilities and the costs and revenues of the subsidiaries. Companies that are jointly controlled by the Group, in accordance with IFRS 11, and those in which the Group exercises significant influence are measured using the "equity method", which foresees the initial recognition of the equity investment at cost and the subsequent adjustment of the carrying amount to reflect the investor's share of the related company's profits or losses after the acquisition date.

The companies included in the consolidation scope as of March 31, 2023 are as follows:

Company	Registered office	Currency	Share capital as of 31.03.2023		interest % De Nora Group		Consolidation criterion
			in local currency	in Euro	as of 31.03.2023	as of 31.12.2022	
Oronzio De Nora International BV - NETHERLANDS:	Basisweg 10 - 1043 AP Amsterdam - The Netherlands	Euro	4,500,000.00	4,500,000.00	100%	100%	line-by-line
*De Nora Deutschland GmbH - GERMANY	Industriestrasse 17 63517 Rodenbach - GERMANY	Euro	100,000.00	100,000.00	100%	100%	line-by-line
*De Nora India Ltd - INDIA	Plot Nos. 184, 185 & 189 Kundaim Industrial Estate Kundaim 403 115, Goa, INDIA	INR	53,086,340.00	593,810.26	53.67%	53.67%	line-by-line
*De Nora Permelec Ltd - JAPAN:	2023-15 Endo, Fujisawa City - Kanagawa Pref. 252 - JAPAN	JPY	90,000,000.00	621,418.21	100%	100%	line-by-line
*De Nora Hong Kong Limited - HONG KONG	Unit D-F 25/F YHC Tower 1 Sheung YUET Road Kowloon Bay KL - HONG KONG	HKD	100,000.00	11,714.13	100%	100%	line-by-line
De Nora do Brasil Ltda - BRAZIL	Avenida Jerome Case No. 1959 Eden - CEP 18087-220 - Sorocoba/SP- BRAZIL	BRL	9,662,257.00	1,751,741.72	100%	100%	line-by-line
De Nora Elettrodi (Suzhou) Ltd - CHINA:	No. 113 Longtan Road, Suzhou Industrial Park 215126, CHINA	USD	25,259,666.00	23,227,279.08	100%	100%	line-by-line
*De Nora China - Jinan Co Ltd - CHINA	Building 3, No.5436, Wenquan Rd., Lingang Development Zone, Licheng District, Jinan City, Shandong Province PR CHINA	CNY	15,000,000.00	2,006,340.03	100%	100%	line-by-line
*De Nora Glory (Shanghai) Co Ltd - CHINA	No. 2277 Longyang Rd. Unit 1605 Yongda Int'l Plaza - Shanghai - CHINA	CNY	1,000,000.00	133,756.00	80%	80%	line-by-line
De Nora Italy S.r.l. - ITALY	Via L.Bistolfi, 35 - 20134 Milan - ITALY	Euro	5,000,000.00	5,000,000.00	100%	100%	line-by-line
De Nora Water Technologies Italy S.r.l. - ITALY:	Via L.Bistolfi, 35 - 20134 Milan - ITALY	Euro	78,000.00	78,000.00	100%	100%	line-by-line
*De Nora Water Technologies FZE – DUBAI	Office No: 614, Le Solarium Tower, Dubai Silicon Oasis - DUBAI	AED	250,000.00	62,597.03	100%	100%	line-by-line
De Nora Italy Hydrogen Technologies S.r.l - ITALY	Via L.Bistolfi, 35 - 20134 Milan - ITALY	Euro	110,000.00	110,000.00	90%	90%	line-by-line
De Nora Holding UK Ltd. – ENGLAND:	c/o hackwood Secretaries Limited, One silk Street, London UK, EC2Y8HQ - ENGLAND	Euro	19.00	19.00	100%	100%	line-by-line
*De Nora Water Technologies UK Services Ltd. – ENGLAND	De Nora Water Technologies UK Services Ltd Arley Drive, Birch Coppice	GBP	7,597,918.00	8,641,853.96	100%	100%	line-by-line

	Business Park; Tamworth, Warwickshire - ENGLAND						
*De Nora Holdings US Inc. – USA:	7590 Discovery Lane, Concord, OH 4407 - USA	USD	10.00	9.20	100%	100%	line-by-line
*De Nora Tech LLC – USA	7590 Discovery Lane, Concord, OH 4407 - USA	USD	no share capital	-	100%	100%	line-by-line
*De Nora Water Technologies LLC - USA:	3000 Advance Lane 18915 - Colmar - PA - USA	USD	968,500.19	890,574.89	100%	100%	line-by-line
*De Nora Water Technologies (Shanghai) Co. Ltd - CHINA	2277 Longyang Road, Unit 305 Yongda International Plaza - 201204 - Pudong Shanghai - CHINA	CNY	16,780,955.00	2,244,553.46	100%	100%	line-by-line
*De Nora Water Technologies Ltd. - ENGLAND:	c/o hackwood Secretaries Limited, One silk Street, London UK, EC2Y8HQ - ENGLAND	GBP	1.00	1.14	100%	100%	line-by-line
*De Nora Water Technologies (Shanghai) Ltd - CHINA	No 96 Street A0201 Lingang Marine Science Park, Pudong New District, Shanghai - CHINA	CNY	7,757,786.80	1,037,650.55	100%	100%	line-by-line
*De Nora Marine Technologies LLC – USA	1110 Industrial Blvd., Sugar Land, TX 77478 - USA	USD	no share capital	-	100%	100%	line-by-line
*De Nora Neptune LLC – USA	305 South Main Street, Fort Stockton, Texas 76735 - USA	USD	no share capital	-	80%	80%	line-by-line
Capannoni S.r.l.- ITALY:	Via L.Bistolfi, 35 - 20134 Milan - ITALY	Euro	8,500,000.00	8,500,000.00	100%	100%	line-by-line
*Capannoni LLC - USA	7590 Discovery Lane, Concord, OH 4407 - USA	USD	3,477,750.00	3,197,931.03	100%	100%	line-by-line
ThyssenKrupp Nucera AG & Co. KGaA - GERMANY	Germany	Euro	100,000,000.00	100,000,000.00	34%	34%	equity
*ThyssenKrupp Nucera Italy S.r.l.- ITALY	Italy	Euro	1,080,000.00	1,080,000.00	34%	34%	equity
*ThyssenKrupp Nucera Australia Pty. - Australia	Australia	AUD	500,000.00	307,351.86	34%	34%	equity
*ThyssenKrupp Nucera Japan Ltd. - JAPAN	Japan	JPY	150,000,000.00	1,035,697.02	34%	34%	equity
*ThyssenKrupp Uhde Chlorine Engineers Co Ltd - CHINA	China	CNY	20,691,437.50	2,767,603.96	34%	34%	equity
*ThyssenKrupp Nucera USA Inc. - USA	USA	USD	700,000.00	643,678.16	34%	34%	equity
TK Nucera Management AG	Germany	Euro	50,000.00	50,000.00	34%	34%	equity

It should be noted that the scope of consolidation as of March 31, 2023 has changed in relation to December 31, 2022 due to the following:

- effective January 1, 2023, De Nora ISIA S.r.l. was merged by incorporation into De Nora Water Technologies Italy S.r.l.

The following table shows the spot exchange rates, against the Euro, for the major currencies in which the Group operates, as of March 31, 2023 and December 31, 2022:

	<b>Exchange rate at March 31, 2023</b>	<b>Exchange rate at December 31, 2022</b>
<b>Currency</b>		
US Dollar	1.0875	1.0666
Japanese Yen	144.8300	140.66
Indian Rupee	89.3995	88.171
Chinese Yuan Renminbi	7.4763	7.3582
Brazilian Real	5.5158	5.6386
Pound sterling (GBP)	0.8792	0.8869

The following table shows the average exchange rates, against the Euro, for the major currencies in which the Group operates for the three months periods ended March 31, 2023 and 2022:

	<b>Average exchange rate for the first three months ended March 31</b>	
	<b>2023</b>	<b>2022</b>
<b>Currency</b>		
US Dollar	1.0733	1.1237
Japanese Yen	141.9509	130.7739
Indian Rupee	88.2580	84.4360
Chinese Yuan Renminbi	7.3420	7.1368
Brazilian Real	5.5765	5.8940
Pound sterling (GBP)	0.8831	0.8371

## 2.5 Accounting standards and criteria

The main recognition, classification and valuation criteria and accounting policies adopted for the preparation of the Condensed Consolidated Interim Financial Statements are consistent to those adopted for the preparation of the Consolidated Financial Statements as of December 31, 2022 to which reference is therefore made, except for the adjustments required by the nature of the interim reporting.

The Group has not adopted early any standard, interpretation or improvement issued but not yet in effect.

Furthermore, income taxes for the period are determined based on the best possible estimate in relation to the available information and on the reasonable expectation of the year's performance until the end of the tax period.

Estimates and assumptions used to draw up these Condensed Consolidated Interim Financial Statements are consistent with the ones used for the preparation of the Consolidated Financial Statements as of December 31, 2022 to which reference is therefore made.

## 3. OTHER INFORMATION

### 3.1 Seasonality

The Group's activities show no significant seasonal or cyclical variations.

### 3.2 Russia-Ukraine conflict

The Group did not encounter any significant critical issues attributable to the ongoing Russia-Ukraine conflict in terms of procurement, production and sales. As of March 31, 2023, the Group's main suppliers of strategic materials are located outside Russia and Ukraine. Group customers located in the area affected by the conflict accounted for 2% of Group revenues for the three months ended March 31, 2023 (4.5% for the three months ended March 31, 2022). As of March 31, 2023, the exposure to Russian and Ukrainian customers amounted to approximately Euro 1.8 million and it does not present risk of non-collection.

However, it cannot be ruled out that the continuation of a situation of military conflict in Ukraine and the increase in tensions between Russia and the countries in which the Group operates could negatively affect global macroeconomic conditions and the economies of those countries, leading to a possible contraction in demand and a consequent decrease in production levels, also taking into account the continuous evolution of the sanctions framework, which is constantly monitored by the Group's management.

## A. NOTES TO THE MAIN FINANCIAL STATEMENTS ITEMS - CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

### 4. Revenues

The following table details revenues from contracts with customers by type for the three-month periods ended March 31, 2023 and 2022:

	Three months ended March 31,	
	2023	2022
	<i>(in € thousands)</i>	
Sales of electrodes	120,387	123,168
Sales of systems	7,207	8,023
After-market and other sales	70,422	56,483
Change in construction contracts	18,865	12,406
<b>Total</b>	<b>216,881</b>	<b>200,080</b>

Revenues for the three months ended March 31, 2023, amounted to Euro 216,881 thousand (Euro 200,800 thousand for the three months ended March 31, 2022). The increase of Euro 16,801 thousand (or 8,4%, 8,7% at constant exchange rates)<sup>1</sup> can be mainly attributed to the progress of activities in the Energy Transition segment and to the consolidation of revenues in the Electrode Technologies segment, which together more than compensate the reduction in revenues in the Water Technologies segment, in particular in the Pools business line.

Revenue is analyzed in detail, by geographical area, here below:

	Three months ended March 31,	
	2023	2022
	<i>(in € thousands)</i>	
Europe, Middle East, India and Africa (EMEIA)	86,136	63,165
North and Latin Americas (AMS)	60,923	65,220
Asia Pacific (APAC)	69,822	71,695
<b>Total</b>	<b>216,881</b>	<b>200,080</b>

For the three-month periods ended March 31, 2023, almost all of the obligations to be fulfilled by the Group refer to contracts with a duration of less than 12 months.

### 5. Change in inventory of finished goods and work in progress

For the three months ended March 31, 2023, the Group had a positive change in inventories of semi-finished and finished products of Euro 16,830 thousand (Euro 6,807 thousand for the three months ended March 31, 2022).

### 6. Other income

The table below shows the detail of other income for the three-month periods ended March 31, 2023 and 2022:

	Three months ended March 31,	
	2023	2022
	<i>(in € thousands)</i>	
Sundry income	633	1,404
R&D grants	217	93
R&D income	36	45
Gain on sale of non-current assets	-	40
Insurance refund	529	18
<b>Total</b>	<b>1,415</b>	<b>1,600</b>

Other income mainly refers to income from ancillary operations.

<sup>1</sup> Determined by converting data in currencies other than the Euro for the three months ended March 31, 2023 at historical exchange rates for the three months ended March 31, 2022.

## 7. Costs for raw materials, consumables, supplies and goods

The table below shows the cost for raw materials, consumables, supplies and goods for the three months ended March 31, 2023 and 2022:

	<b>Three months ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
	<i>(in € thousands)</i>	
Purchase of raw materials	65,554	68,959
Change in inventory	14,154	5,469
Purchase of semi-finished and finished goods	22,304	13,406
Purchase of consumables and supplies	5,718	3,199
Purchase of packaging material	606	343
Other purchases and related charges	42	14
(Capitalized costs related to assets built internally)	(1,667)	(2,071)
<b>Total</b>	<b>106,711</b>	<b>89,319</b>

Costs for raw materials, consumables, supplies and goods- for the three months ended March 31, 2023, amounted to Euro 106,711 thousand (Euro 89,319 thousand for the three months ended March 31, 2022). The increase of Euro 17,392 thousand reflects the higher volumes of activity and the trend in purchase prices.

Capitalized costs refer to costs incurred by the Group companies for the internal development of projects and products that meet the requirements for capitalization.

## 8. Personnel expense

The table below shows the detail of personnel expenses for the three months ended March 31, 2023 and 2022:

	<b>Three months ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
	<i>(in € thousands)</i>	
Wages and salaries	29,697	25,605
Social security contributions	6,383	5,587
Post-employment benefits and other pension plans	538	555
Other personnel net (income)/expenses	687	537
(Capitalized costs related to assets built internally)	(1,085)	(1,246)
<b>Total</b>	<b>36,220</b>	<b>31,038</b>

Personnel expenses amounted to Euro 36,220 thousand for the three months ended March 31, 2023 (Euro 31,038 thousand for the three months ended March 31, 2022) with an increase compared to the three months of the previous year amounting to Euro 5,182 thousand, mainly due to the increase of headcount. The following table shows the average number of Group employees for the three months ended March 31, 2023 and 2022.

<b>Average number of employees</b>	<b>Three months ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
	1,957	1,757

"Other net personnel costs/(income)" amounting to Euro 687 thousand (Euro 537 thousand for the three months ended March 31, 2022), are mainly related to charges and incentives for termination of personnel, costs for medical and insurance coverage, and expatriate benefits.

Capitalized costs refer to costs incurred by the Group companies for the internal development of projects and products that meet the requirements for capitalization.



## 9. Costs for services

The table below shows the detail of costs for services for the three months ended March 31, 2023 and 2022:

	<b>Three months ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
	<i>(in € thousands)</i>	
Outsourcing expenses	18,242	10,252
Consultancies		
- Production and technical assistance	2,862	3,438
- Selling	20	79
- Legal, tax, administrative and ICT	3,351	3,810
- M&A and Business development	18	57
Utilities/Telephone expenses	2,999	2,408
Maintenance	3,805	3,080
Travel expenses	1,856	1,107
R&D	458	179
Statutory auditors' fees	31	34
Insurance	1,034	848
Rents and other lease expenses	678	489
Commissions and royalties	1,424	1,720
Freight	3,098	2,063
Waste disposal, office cleaning and security	900	674
Promotional, advertising and marketing expenses	328	214
Patents and trademarks	277	380
Canteen, training and other personnel expenses	991	618
Board of Directors' fees	330	170
<b>Total</b>	<b>42,702</b>	<b>31,618</b>

Costs for services amounted to Euro 42,702 thousand for the three months ended March 31, 2023 (Euro 31,618 thousand for the three months ended March 31, 2022) and mainly related to outsourcing expenses, consultancy, utilities, maintenance and transport costs.

## 10. Other operating expenses

The table below shows the detail of other operating expenses for the three months ended March 31, 2023 and 2022:

	<b>Three months ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
	<i>(in € thousands)</i>	
Indirect taxes and duties	1,456	1,587
Losses on sale of non-current assets	173	173
Losses on receivables (not covered by utilization of bad debt provision)	-	5
Other miscellaneous expenses	248	302
<b>Total</b>	<b>1,877</b>	<b>2,067</b>

Other operating expenses amounted to Euro 1,877 thousand for the three months ended March 31, 2023 (Euro 2,067 thousand for the three months ended March 31, 2022).

## 11. Impairment (losses)/revaluations and provisions for risks and charges

The following table shows the detail of the item impairment (losses)/revaluations of non-current assets and provisions for the three months ended March 31, 2023 and 2022:

	<b>Three months ended March 31,</b>	
	<b>2023</b>	<b>2022</b>

Net accruals to provisions for risks and charges	949	795
Net accruals to bad debt provision	(228)	(86)
Write downs/(Reinstatements) of Intangible Assets - Property, Plant and Equipment	-	247
<b>Total</b>	<b>721</b>	<b>956</b>

## 12. Finance income

The table below shows the detail of financial income for the three months ended March 31, 2023 and 2022:

	<b>Three months ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
	<i>(in € thousands)</i>	
Exchange rate gains	1,296	6,049
Fair value (positive) of financial instrument	22	1,297
Profit from non-current financial assets	210	-
Financial income from banks/financial receivables	776	51
Interest on trade receivables	1	-
Other finance income	95	36
<b>Total</b>	<b>2,400</b>	<b>7,433</b>

## 13. Finance expenses

The table below shows the detail of financial expenses for the three months ended March 31, 2023 and 2022:

	<b>Three months ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
	<i>(in € thousands)</i>	
Bank interest and interest on loans and borrowings	3,134	1,067
Exchange rate losses	2,689	3,634
Fair value (negative) of financial instruments	19	994
Finance expenses on personnel costs	115	54
Bank fees	253	216
Other finance expenses	115	125
<b>Total</b>	<b>6,325</b>	<b>6,090</b>

The adjustment of financial instruments to fair value is mainly related to derivative financial instruments to hedge exchange rate fluctuations. Therefore, the performance of this item should be read in conjunction with the performance of exchange rate gains and losses for the respective three months ended March 31, 2023 and 2022.

Other financial expenses mainly include interest related to lease contracts and bank guarantee expenses.

## 14. Income tax expense

The table below shows the detail of income tax expense for the three months ended March 31, 2023 and 2022:

	<b>Three months ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
	<i>(in € thousands)</i>	
Current taxes	10,432	15,125
Deferred taxes	295	(771)
Prior years taxes	-	844
<b>Total</b>	<b>10,727</b>	<b>15,198</b>

## 15. Earnings per share

On June 30, 2022 the structure of the share capital of Industrie De Nora S.p.A. was changed, and now it includes ordinary shares and multiple voting shares all bearing the same rights to profit sharing. Previously share capital was divided into

four categories of shares bearing different profit-sharing rights. In particular, category A, B and C shares participated equally to dividends and other distributions while category D shares participated for an amount equal to 10% of the percentage represented by the shares of category D with respect to the total number of shares representing the entire share capital.

The following table shows the basic and diluted earnings per share for the three months ended March 31, 2023 and 2022.

	<b>Three months ended March</b>	
	<b>31,</b>	
	<b>2023</b>	<b>2022</b>
Profit for the period attributable to shareholders of the parent company distributable to shareholders A, B and C (for the three months ended March 31, 2022) and ordinary and multiple voting share (for the three months ended March 31, 2023) ( <i>in € thousands</i> )	24,491	26,108
Weighted average number of shares for basic and diluted earnings per share	<u>201,685,174</u>	<u>178,356,403</u>
<b>Basic and diluted earnings per ordinary and multiple voting share (in Euro)</b>	<b><u>0.12</u></b>	<b><u>-</u></b>
<b>Basic and diluted earnings per A, B, C shares (in Euro)</b>	<b><u>-</u></b>	<b><u>0.15</u></b>
	<b>Three months ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
Profit for the period attributable to shareholders D owners of the parent ( <i>in € thousands</i> )	-	0.15
Weighted average number of shares (category D) for basic and diluted earnings per share	<u>-</u>	<u>10,000</u>
<b>Basic and diluted earnings per D shares (in Euro)</b>	<b><u>-</u></b>	<b><u>0.01</u></b>

## B. NOTES TO THE MAIN FINANCIAL STATEMENTS ITEMS - STATEMENT OF EQUITY AND FINANCIAL POSITION - ASSETS

### 16. Goodwill and other intangible assets

The table below shows the breakdown and changes in intangible assets for the three months ended March 31, 2023:

	Goodwill	Industrial patents and intellectual property rights	Concessions, licenses and trademarks	Know-how and Technologies	Customer relationships	Development costs	Other	Assets under construction and advance payments	Total intangible assets
	<i>(in € thousands)</i>								
<b>Historical cost at December 31, 2022</b>	<b>66,981</b>	<b>14,878</b>	<b>37,697</b>	<b>47,441</b>	<b>52,430</b>	<b>22,754</b>	<b>9,136</b>	<b>8,969</b>	<b>260,286</b>
Increase	-	125	443	-	-	-	-	1,292	1,860
Decrease	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-
Reclassif./Other movements	-	35	1,303	-	-	410	237	(1,968)	17
Translation differences	(1,238)	(50)	(564)	(1,097)	(1,019)	(396)	(134)	(132)	(4,630)
<b>Historical cost at March 31, 2023</b>	<b>65,743</b>	<b>14,988</b>	<b>38,879</b>	<b>46,344</b>	<b>51,411</b>	<b>22,768</b>	<b>9,239</b>	<b>8,160</b>	<b>257,533</b>
<b>Accumulated amortization as of December 31, 2022</b>	<b>-</b>	<b>13,400</b>	<b>28,720</b>	<b>32,984</b>	<b>38,931</b>	<b>9,476</b>	<b>5,221</b>	<b>0</b>	<b>128,733</b>
Increase	-	248	777	387	287	869	120	-	2,689
Decrease	-	-	-	-	-	-	-	-	-
Reclassif./Other movements	-	-	73	-	-	105	(179)	-	(0)
Translation differences	-	(33)	(429)	(749)	(763)	(191)	(80)	-	(2,245)
<b>Accumulated amortization as of March 31, 2023</b>	<b>-</b>	<b>13,615</b>	<b>29,141</b>	<b>32,622</b>	<b>38,455</b>	<b>10,259</b>	<b>5,083</b>	<b>0</b>	<b>129,177</b>
<b>Net book value as of December 31, 2022</b>	<b>66,981</b>	<b>1,478</b>	<b>8,977</b>	<b>14,457</b>	<b>13,499</b>	<b>13,278</b>	<b>3,915</b>	<b>8,969</b>	<b>131,552</b>
<b>Net book value as of March 31, 2023</b>	<b>65,743</b>	<b>1,373</b>	<b>9,738</b>	<b>13,723</b>	<b>12,955</b>	<b>12,509</b>	<b>4,156</b>	<b>8,160</b>	<b>128,356</b>

Investments in intangible assets for the first quarter 2023 amounted to Euro 1,860 thousand and mainly refer to:

- (i) industrial patent rights and intellectual property rights for Euro 125 thousand mainly attributable to the registration and acquisition of industrial patents by the Parent company Industrie De Nora S.p.A.;
- (ii) concessions, licenses and trademarks for Euro 443 thousand mainly relating to the implementation of SAP management system and other ICT systems;
- (iii) intangible assets in progress for Euro 1,292 thousand relating to: for Euro 290 thousand to industrial patent rights and intellectual property rights mainly attributable to the registration and acquisition of industrial patents by the Parent company Industrie De Nora S.p.A. and by the Japanese subsidiary De Nora Permelec Ltd., for Euro 77 thousand to concessions, licenses and trademarks mainly relating to the implementation of SAP management system and other ICT systems and for Euro 925 thousand related to product development costs mainly pertaining to the Water Technologies business segment.

### 17. Property, Plant and Equipment

The following table shows the breakdown and changes in property, plant and equipment for the three months ended March 31, 2023:

	Land	Buildings	Plant and Machinery	Other assets	Leased assets	Right of use of PPE:	- of which Buildings	- of which Other assets	Assets under construction and advance payments	Total property, plant and equipment
	<i>(in € thousands)</i>									
<b>Historical cost as of December 31, 2022</b>	<b>28,805</b>	<b>93,750</b>	<b>107,071</b>	<b>20,577</b>	<b>122,591</b>	<b>10,855</b>	<b>8,691</b>	<b>2,163</b>	<b>20,100</b>	<b>403,750</b>
Increase	9,476	57	328	24	1,751	1,835	1,798	38	6,183	19,655
Decrease	-	(298)	(187)	(250)	(173)	-	-	-	-	(909)
Impairment	-	-	-	-	-	-	-	-	-	-
Reclassif./Other movements	-	982	259	45	196	-	-	-	(1,451)	32
Translation differences	(679)	(1,353)	(1,388)	(312)	(2,685)	(139)	(129)	(9)	(156)	(6,712)
<b>Historical cost at March 31, 2023</b>	<b>37,603</b>	<b>93,138</b>	<b>106,083</b>	<b>20,084</b>	<b>121,680</b>	<b>12,552</b>	<b>10,360</b>	<b>2,192</b>	<b>24,677</b>	<b>415,816</b>
<b>Accumulated depreciation as of December 31, 2022</b>	<b>10</b>	<b>38,224</b>	<b>63,442</b>	<b>15,969</b>	<b>97,240</b>	<b>4,688</b>	<b>3,028</b>	<b>1,660</b>	<b>-</b>	<b>219,572</b>
Increase	-	791	1,472	311	1,464	514	398	116	-	4,551
Decrease	-	(145)	(175)	(237)	(171)	-	-	-	-	(727)
Impairment	-	-	-	-	-	-	-	-	-	-
Reclassif./Other movements	-	11	13	(24)	-	-	-	-	-	-
Translation differences	-	(531)	(883)	(245)	(2,127)	(46)	(38)	(8)	-	(3,833)
<b>Accumulated amortization as of March 31, 2023</b>	<b>10</b>	<b>38,351</b>	<b>63,868</b>	<b>15,774</b>	<b>96,406</b>	<b>5,155</b>	<b>3,388</b>	<b>1,768</b>	<b>-</b>	<b>219,564</b>
<b>Net book value as of December 31, 2022</b>	<b>28,795</b>	<b>55,526</b>	<b>43,629</b>	<b>4,608</b>	<b>25,351</b>	<b>6,167</b>	<b>5,663</b>	<b>503</b>	<b>20,100</b>	<b>184,177</b>
<b>Net book value as of March 31, 2023</b>	<b>37,593</b>	<b>54,788</b>	<b>42,215</b>	<b>4,310</b>	<b>25,274</b>	<b>7,396</b>	<b>6,972</b>	<b>424</b>	<b>24,677</b>	<b>196,252</b>

Additions to property, plant and equipment, amounted to Euro 19,655 thousand for the three months ended March 31, 2023. In particular, investments in property, plant and equipment, excluding increases in the rights of use of property, plant and equipment, amounted to a total of Euro 17,819 thousand and mainly refer to:

- (i) acquisition of land for Euro 9,476 thousand related to an industrial area in Cernusco sul Naviglio for the project “Italian Gigafactory”;
- (ii) leased assets for Euro 1,751 thousand related to anodes to be leased within the Electrode Technologies business segment;
- (iii) plant and machinery for Euro 328 thousand mainly attributable to the German subsidiary;
- (iv) assets under construction and advance payments amounting to Euro 6,183 thousand, which refer for Euro 2,646 thousand to plant and machinery mainly in Germany and Japan, for Euro 234 thousand to buildings, for Euro 419 thousand to other tangible assets under construction and for Euro 2,884 thousand to advance payments. These latter refer to advances paid for the manufacturing sites expansion projects in China and Germany.

## 18. Equity-accounted investees

This item refers to the investment in the associated company Thyssenkrupp nucera AG & Co. KGaA (formerly ThyssenKrupp Uhde Chlorine Engineers GmbH, hereinafter “**TK nucera**”). At March 31, 2023, the value of equity-accounted investees is equal to Euro 122,664 thousand, unchanged compared to the figure at December 31, 2022; updated data of the associated company relating to the first quarter of 2023 are not available.

The Share of profit of equity-accounted investees recognized with equity-method in the income statement for the three months ended March 31, 2022 (loss of Euro 6,337 thousand) reflected certain adjustments to the associate’s financial statements related to previous periods and of which it became known only after the date of approval of the consolidated financial statements of Industrie De Nora S.p.A. as at December 31, 2021.

## 19. Financial assets, including derivatives

The table below shows the breakdown of non-current financial assets as of March 31, 2023 and December 31, 2022

	As of March 31, 2023	As of December 31, 2022
	<i>(in € thousands)</i>	
<b>Non-current</b>		
Financial receivables	1,788	1,823
Investments in financial assets	2,708	2,787
<b>Total</b>	<b>4,496</b>	<b>4,610</b>

Financial receivables refer to financial lease contracts related to hydraulic fracturing activities (so-called *Fracking*) related to the Water Technologies segment. The receivable recorded represents the present value of the future lease payments contractually due beyond the next financial year.

Financial receivables are shown net of the related bad debt provision equal to Euro 3,333 thousand as of March 31, 2023 (Euro 3,398 thousand as of December 31, 2022).

Investments in financial assets mainly refer to some pension funds and supplementary company funds for employees.

The table below shows the breakdown of current financial assets as of March 31, 2023 and December 31, 2022.

	As of March 31, 2023	As of December 31, 2022
	<i>(in € thousands)</i>	
<b>Current</b>		
Financial receivables	35,364	150,234
Investments in financial assets	12,679	8,158
Fair value of the derivatives	848	644
<b>Total</b>	<b>48,891</b>	<b>159,036</b>

Financial receivables refer essentially to the parent company. Industrie De Nora S.p.A. entered in 2022 into time deposits with some leading banks. The residual amount at March 31, 2023 is equal to a total of Euro 35,000 thousand, reduced compared to the Euro 150,000 thousand at December 31, 2022. The main characteristics are described below:

Bank	Inception date	Expiration date	Amount	Interest rate
Banca Popolare di Sondrio	08/11/2022	08/05/2023	7,500,000	2.10%
Banca Nazionale del Lavoro	09/11/2022	09/05/2023	7,500,000	2.05%
Mediobanca	10/11/2022	10/05/2023	20,000,000	2.10%
			<b>35,000,000</b>	

Investments in financial assets, equal to Euro 12,679 thousand at March 31, 2023 (Euro 8,158 thousand at December 31, 2022) relate primarily to investments subject to short-term time restrictions that can be liquidated at any time.

The fair value of the derivative instruments at March 31, 2023 refers to forward currency derivative contracts entered into by the parent company and the subsidiaries De Nora Water Technologies Italy S.r.l. and De Nora Tech LLC.

## 20. Other receivables

The following table shows the detail of the other receivables as of March 31, 2023 and December 31, 2022, broken down between current and non-current amounts:

	As of March 31, 2023	As of December 31, 2022
	<i>(in € thousands)</i>	
<b>Non-current</b>		
Tax receivables	6,416	6,416
Other - third parties	2,558	2,561
Prepayments and accrued income	1	1
Related parties	52	52
<b>Total</b>	<b>9,027</b>	<b>9,030</b>
	As of March 31, 2023	As of December 31, 2022
	<i>(in € thousands)</i>	
<b>Current</b>		
Advances to suppliers	9,560	9,017
Tax receivables	17,438	14,708
Other - third parties	3,181	2,377
Prepayments and accrued income	7,972	6,972
<b>Total</b>	<b>38,151</b>	<b>33,074</b>

As of March 31, 2023, other current and non-current receivables totaled Euro 47,178 thousand, (Euro 42,104 thousand as of December 31, 2022).

Non-current tax receivables relate to withholding taxes incurred mainly by the Company against collections of receivables from foreign subsidiaries.

The other non-current receivables from third parties are mainly attributable to the contributions paid by the Italian companies of the Group against existing supplementary pension funds as a counter-entry to the contribution due by the employer.

Current tax receivables mainly refer to VAT receivables.

## 21. Inventory

The table below shows the breakdown of inventories as of March 31, 2023 and December 31, 2022:

	<b>As of March 31, 2023</b>	<b>As of December 31, 2022</b>
	<i>(in € thousands)</i>	
Raw materials and consumables	119,683	135,731
Work in progress and semi-finished products	107,277	107,407
Finished products and goods	81,446	70,731
Goods in transit	5,819	4,848
<b>Total gross inventories</b>	<b>314,225</b>	<b>318,717</b>
Allowance for inventory write-down	(20,415)	(23,241)
<b>Total Net inventories</b>	<b>293,810</b>	<b>295,476</b>

Inventories, amounting to Euro 293,810 thousand, decreased by a total of Euro 1,666 thousand, mainly as a result of a decrease in raw materials only in part counterbalanced by the higher quantities in stock of finished products and goods.

Inventory is shown net of the write down provision equal to Euro 20,415 thousand at March 31, 2023, decreased compared to Euro 23,241 thousand at December 31, 2022, mainly following the release of provision on Work in progress and semi-finished products.

## 22. Current tax assets

Current tax assets amounted to Euro 4,883 thousand at March 31, 2023 (Euro 4,893 thousand at December 31, 2022) and mainly refer to advances on income taxes paid by some Group companies.

## 23. Construction contracts

The following table provides a breakdown of Construction contracts as of March 31, 2023 and December 31, 2022.



	<b>As of March 31, 2023</b>	<b>As of December 31, 2022</b>
	<i>(in € thousands)</i>	
<b>Current assets</b>		
Construction contracts	111,652	107,946
(Progress payments)	(80,781)	(77,544)
Provision for losses on construction contracts	(1,242)	(1,267)
<b>Total</b>	<b>29,629</b>	<b>29,135</b>
<b>Current liabilities</b>		
Construction contracts	66,098	67,993
(Progress payments and Advances)	(77,754)	(80,695)
<b>Total</b>	<b>(11,656)</b>	<b>(12,702)</b>
<b>Total Construction contracts (net of advances)</b>	<b>17,973</b>	<b>16,433</b>

Construction contracts (net of contractual advances) amounted to Euro 17,973 thousand at March 31, 2023, an increase from Euro 16,433 thousand as of December 31, 2022, and refer to contracts relating to the Water Technologies business segment.

## 24. Trade receivables

The table below shows the detail of trade receivables as of March 31, 2023 and December 31, 2022.

	<b>As of March 31, 2023</b>	<b>As of December 31, 2022</b>
	<i>(in € thousands)</i>	
<b>Current</b>		
Third parties	121,507	124,008
Related parties	31,242	7,267
Bad debt reserve	(7,276)	(7,854)
<b>Total</b>	<b>145,473</b>	<b>123,421</b>

Trade receivables derive from sales transactions and the provision of services and amounted, at March 31, 2023, to Euro 145,473 thousand (Euro 123,421 thousand at December 31, 2022).

The carrying amount of trade receivables, net of the bad debt provision, is deemed to approximate its fair value.

Following are the movements in the bad debt reserve:

	<b>As of March 31, 2023</b>
	<i>(in € thousands)</i>
<b>Current</b>	
<b>Balance as of December 31, 2022</b>	<b>7,854</b>
Accruals of the period	160
Utilisation and releases of the period	(669)
Exchange rate difference	(69)
<b>Balance as of March 31, 2023</b>	<b>7,276</b>

## 25. Cash and cash equivalents

The table below provides a breakdown of cash and cash equivalents as of March 31, 2023 and December 31, 2022

	<u>As of March 31, 2023</u>	<u>As of December 31, 2022</u>
	<i>(in € thousands)</i>	
Bank accounts	105,392	170,639
Cash on hand	42	28
Deposit accounts	<u>4,204</u>	<u>3,462</u>
<b>Cash and cash equivalents</b>	<u><b>109,638</b></u>	<u><b>174,129</b></u>

Cash and cash equivalents are made up of effectively available values and deposits. As regards the amounts on deposits and current accounts, the related interests have been recognized on accrual basis.

Cash and cash equivalents, amounting to Euro 109,638 thousand as of March 31, 2023, decreased by Euro 64,491 thousand compared to December 31, 2022.

For further details on the variations of the period please refer to Interim consolidated statement of cash flows.

## C. NOTES TO THE MAIN FINANCIAL STATEMENTS ITEMS - STATEMENT OF EQUITY - FINANCIAL POSITION - EQUITY AND LIABILITIES

### 26. Equity

Equity as of March 31, 2023 is Euro 763,208 thousand, up from Euro 744,804 thousand as of December 31, 2022.

The shares issued are fully paid up and have no nominal value.

Changes in equity for the nine-month periods ended March 31, 2023 and March 31, 2022 are shown in the “Consolidated statement of changes in equity”, while the “Consolidated statement of comprehensive income” sets out the other components of the statement of comprehensive income for the period, net of the tax effects.

#### Equity attributable to the shareholders of the parent company

At March 31, 2023 the amount of share capital of Industrie De Nora S.p.A. and its composition is unchanged compared to December 31, 2022:

Share capital as of March 31, 2023		
	<i>Euro</i>	<i>no. shares</i>
<i>Total of which:</i>	18,268,203.90	201,685,174
<i>Ordinary shares (regular entitlement)</i>	3,326,857.89	43,899,499
<i>Multiple voting shares (*)</i>	14,941,346.01	157,785,675

(\*) Owned by the shareholders Federico De Nora, Federico De Nora S.p.A., Norfin S.p.A. and Asset Company 10 S.r.l. Multiple voting shares are not admitted to trading on Euronext Milan and are not counted in the free float and market capitalisation value.

#### Retained earnings, Translation reserve and other reserves

Retained earnings, translation reserve and other reserves pertaining to the Group as of March 31, 2023, amounted to Euro 488.670 thousand (Euro 406,596 thousand as of December 31, 2022), a net increase of Euro 82,074 thousand over December 31, 2022, including:

- Euro 89,564 thousand increase due to the allocation of the previous year's results pertaining to the parent company shareholders;
- Euro 145 thousand increase in Other Reserves, related to the PSP Incentive Plan, the charge for which was recorded in the income statement under personnel costs;
- Euro 7,635 thousand net decrease due to the effect of the other components of the comprehensive income statement for the period, of which Euro 7,886 thousand attributable to the differences deriving from the translation of the financial statements of foreign subsidiaries.

#### Equity attributable to non-controlling interests

The table below shows the breakdown of minority interests as of March 31, 2023 and December 31, 2022:

	<b>As of March 31, 2023</b>	<b>As of December 31, 2022</b>
	<i>(in € thousands)</i>	
Share capital and reserves	4,486	3,599
Profit/(Loss) for the period	512	101
Other comprehensive income (OCI)	(9)	(114)
<b>Total</b>	<b>4,989</b>	<b>3,586</b>

The increase in share capital and reserves during the first quarter of 2023 is essentially attributable to De Nora Italy Hydrogen Technologies S.r.l following the contribution made by the minority shareholder SNAM S.p.A.

## 27. Employee Benefits

Employee benefits at March 31, 2023 amount to Euro 20,029 thousand (Euro 20,628 thousand at December 31, 2022), as net balance between Euro 23,339 thousand shown under liabilities and Euro 3,310 thousand shown under assets.

## 28. Provisions for risks and charges

The following table shows the composition and movements of the provisions for risks and charges as of March 31, 2023 and December 31, 2022.

	<b>As of March 31, 2023</b>	<b>As of December 31, 2022</b>
	<i>(in € thousands)</i>	
<b>Non-current</b>		
Provision for contractual warranties	235	179
Provision for other risks	1,894	1,963
<b>Total</b>	<b>2,129</b>	<b>2,142</b>
<b>Current</b>		
Provision for contractual warranties	11,757	11,605
Provision for other risks	6,690	6,941
<b>Total</b>	<b>18,447</b>	<b>18,546</b>
<b>Total provisions for risks and charges</b>	<b>20,576</b>	<b>20,688</b>

Provisions for risks and charges mainly include: (i) the provision for miscellaneous risks, amounting to Euro 8,584 thousand as of March 31, 2023 (Euro 8,904 thousand as of December 31, 2022); and (ii) the provision for contractual warranties risks, which represents an estimate of the costs for contractually stipulated warranties in connection with the supply of products and plants and amounts to Euro 11,992 thousand as of March 31, 2023 (Euro 11,784 thousand as of December 31, 2022).

Changes for the period ended March 31, 2023 were as follows:

	<b>Provision for contractual warranties</b>	<b>Provision for other risks</b>
	<i>(in € thousands)</i>	
<b>Balance as of December 31, 2022</b>	<b>11,784</b>	<b>8,904</b>
Accruals of the year	1,115	212
Utilization and releases of the year	(712)	(509)
Exchange rate differences	(196)	(24)
<b>Balance as of March 31, 2023</b>	<b>11,992</b>	<b>8,584</b>

## 29. Financial liabilities

The following table shows the detail of financial liabilities as of March 31, 2023 and December 31, 2022.

	As of March 31, 2023	As of December 31, 2022
	<i>(in € thousands)</i>	
<b>Non-current</b>		
Bank loans and borrowings	115,453	262,741
Lease payables	6,051	4,803
<b>Total</b>	<b>121,504</b>	<b>267,544</b>
<b>Current</b>		
Bank overdrafts	163	282
Bank loans and borrowings	24,166	11,740
Lease payables	1,662	1,633
<b>Total</b>	<b>26,116</b>	<b>13,655</b>
<b>Total financial liabilities</b>	<b>147,620</b>	<b>281,199</b>

### Bank loans and borrowings

The table below shows the details of bank loans and borrowings and bank overdrafts:

	As of March 31, 2023			As of December 31, 2022		
	Non current	Current	Total	Non current	Current	Total
	<i>(in € thousands)</i>					
New Pool Loan (IDN)	79,053	-	79,053	178,772	-	178,772
New Pool Loan (De Nora Holdings US Inc)	36,400	-	36,400	83,969	10	83,979
Sumitomo Mitsui Banking Co. <i>(De Nora Permelec Ltd)</i>	-	15,190	15,190	-	9,953	9,953
Sumitomo Mitsui Trust Bank <i>(De Nora Permelec Ltd)</i>	-	4,833	4,833	-	355	355
Bank of Yokohama <i>(De Nora Permelec Ltd)</i>	-	3,452	3,452	-	1,422	1,422
Mizhuo <i>(De Nora Permelec Ltd)</i>	-	690	690	-	-	-
Overdrafts and financial accrued expenses	-	163	163	-	282	282
<b>Total</b>	<b>115,453</b>	<b>24,329</b>	<b>139,782</b>	<b>262,741</b>	<b>12,022</b>	<b>274,763</b>

As of March 31, 2023 and December 31, 2022, the fair value of payables to banks approximates their book value.

### Pool Financing (IDN) - Pool Financing (De Nora Holdings US Inc)

Considering the financial resources of the Group, at the end of the first quarter of the year these loans was partially repaid in advance, in particular the repayment concerned Euro 100,000 thousand of the line in Euros granted to Industrie De Nora S.p.A. and USD 50,000 thousand of the line in USD granted to De Nora Holdings US Inc. Therefore, as of March 31, 2023 these loans remain outstanding for Euro 80,000 thousand and USD 40,000 thousand respectively and they are shown under financial liabilities net of upfront fees and other charges directly related to new financing agreements which, paid on the stipulation date of the loan agreement, are presented in the financial statements as a reduction of the total debt according to the amortized cost criterion.

The short-term credit lines with Sumitomo Mitsui Banking Co, Sumitomo Mitsui Trust Bank, Bank of Yokohama and Mizhuo are instead underwritten by De Nora Permelec Ltd for a total of JPY 3.5 billion (Euro 24,166 thousand) as of

March 31, 2023 (they were JPY 1.65 billion, equal to Euro 11,730 thousand, as of 31 December 2022). The annual interest rates on these credit lines are between 0.13% and 0.17%.

### *Net financial indebtedness*

The following table details the composition of the Group's net financial indebtedness determined in accordance with the provisions of the CONSOB Communication DEM/6064293 of July 28, 2006, as amended by CONSOB Communication No. 5/21 of April 29, 2021 and in accordance with ESMA Recommendations contained in Guidelines 32-382-1138 of March 4, 2021 on disclosure requirements under the Prospectus Regulation (the "**Net Financial Indebtedness - ESMA**"). The table below includes figures as of March 31, 2023 and figures as of December 31, 2022:

	<b>As of March 31, 2023</b>	<b>As of December 31, 2022</b>
	<i>(in € thousands)</i>	
A	105,434	170,667
B	4,204	3,462
C	48,891	159,036
<b>D</b>	<b>158,529</b>	<b>333,165</b>
E	25,302	12,666
F	1,662	1,633
<b>G</b>	<b>29,964</b>	<b>14,299</b>
- <i>Of which secured</i>	-	-
- <i>Of which unsecured</i>	26,964	14,299
<b>H</b>	<b>(131,565)</b>	<b>(318,866)</b>
I	121,504	267,544
J	-	-
K	-	-
<b>L</b>	<b>121,504</b>	<b>267,544</b>
- <i>Of which secured</i>	-	-
- <i>Of which unsecured</i>	121,504	267,544
<b>M</b>	<b>(10,061)</b>	<b>(51,322)</b>

The reconciliation between the Net Financial Indebtedness - ESMA and the net financial indebtedness of the Group as monitored by the Group (hereinafter the "**Net Financial Indebtedness - De Nora**") as of March 31, 2023 and December 31, 2022, is shown below:

	<b>As of March 31, 2023</b>	<b>As of December 31, 2022</b>
	<i>(in € thousands)</i>	
<b>Net Financial Indebtedness (Net liquidity) - ESMA</b>	<b>(10,061)</b>	<b>(51,322)</b>
Fair value of derivatives covering currency risks	(848)	(644)
<b>Net Financial Indebtedness (Net liquidity)- De Nora</b>	<b>(10,909)</b>	<b>(51,966)</b>

The reduction in Net Financial Indebtedness - ESMA as of March 31, 2023 compared to December 31, 2022, totaling Euro 41,261 thousand, is mainly attributable to the combined effect of the following factors:

- (i) cash absorbed by operating activities amounting to Euro 20,818 thousand in the three months ended March 31, 2023;
- (ii) the liquidity overall absorbed from investment activities in Property, plant and equipment and in Intangible assets equal to Euro 19.670 thousand in the three months ended March 31, 2023;

For further details on the cash flows for the period, please refer to the consolidated cash flow statement.

The following table shows an analysis of the maturity of the Group's financial payables as of March 31, 2023:

	As of March 31, 2023							
	Carrying amount	Contractual cash flows*	Due date					
			0-12 months	1- 2 years	2 - 3 years	3-5 years	Over 5 years	
			<i>(in € thousands)</i>					
<b>Financial liabilities</b>								
Bank loans and borrowings / overdrafts	139,782	141,111	24,329	-	-	116,782	-	
Lease payables	7,713	7,713	1,662	1,596	1,172	1,543	1,740	
Trade payables	76,719	76,719	76,637	82	-	-	-	
Other payables	81,862	81,862	79,659	2,203	-	-	-	
<b>Total Financial liabilities</b>	<b>306,076</b>	<b>307,405</b>	<b>182,287</b>	<b>3,881</b>	<b>1,172</b>	<b>118,325</b>	<b>1,740</b>	

\* The difference between the total bank loans and borrowings and the contractual cash flows is due to the upfront Fees and other charges directly related to new financing agreements, which, paid on the stipulation date of the loan agreement, are recognized in the statement of financial position as a decrease of the total amount payable.

### 30. Trade payables

The table below shows the detail of trade payables as of March 31, 2023 and December 31, 2022.

	As of March 31, 2023	As of December 31, 2022
		<i>(in € thousands)</i>
<b>Non-current</b>		
Third parties	82	83
<b>Total</b>	<b>82</b>	<b>83</b>
<b>Current</b>		
Third parties	75,818	79,665
Related parties	819	889
<b>Total</b>	<b>76,637</b>	<b>80,554</b>
<b>Total current payables</b>	<b>76,719</b>	<b>80,637</b>

As of March 31, 2023, trade payables, between current and non-current portions, amounted to Euro 76,719 thousand (Euro 80,637 thousand as of December 31, 2022).

This item mainly includes payables related to the purchase of goods and services, which are due within twelve months. It should be noted that the carrying amount of trade payables is close to their fair value.

### 31. Income tax payables

Income tax payables as of March 31, 2023 amounted to Euro 13,841 thousand (Euro 10,970 thousand as of December 31, 2022).

### 32. Other payables

The table below shows the detail of other payables as of March 31, 2023 and December 31, 2022.

	As of March 31, 2023	As of December 31, 2022
		<i>(in € thousands)</i>
<b>Non-current</b>		
Payables to employees	1,409	1,357
Tax payables	258	263
Advances from customers	4	4
Other - third parties	100	316



Other - related parties	432	444
<b>Total</b>	<b>2,203</b>	<b>2,384</b>
<b>Current</b>		
Advances from customers	28,668	34,482
Advances from related parties	15,640	33,024
Accrued expenses and Deferred income	6,006	6,322
Payables to employees	18,972	16,493
Social security payables	2,221	2,524
Withholding tax payables	849	1,810
VAT payables	3,544	2,745
Other tax payables	1,765	1,963
Other - third parties	1,664	2,254
Other - related parties	330	-
<b>Total</b>	<b>79,659</b>	<b>101,617</b>
<b>Total Other payables</b>	<b>81,862</b>	<b>104,001</b>

Payables to employees relate to amounts accrued but not yet liquidated, such as vacations and bonuses.

## D. RISK

In the context of business risks, the main risks identified, monitored and, as specified below, actively managed by the Group, are the following:

- credit risk, deriving from the possibility of default of a counterparty;
- liquidity risk, deriving from the lack of financial resources to meet financial commitments;
- market risk.

The Group's objective is to maintain, over time, a balanced management of its financial exposure, in order to guarantee a liability structure that is balanced with the composition of the assets on the statement of financial position and able to ensure the necessary operating flexibility through the use of the liquidity generated by current operations and the use of bank loans.

The Group considers risk monitoring and control systems a top priority to guarantee an efficient risk management. In line with this objective, the Group has adopted a risk management system with formalized strategies, policies and procedures to ensure the identification, measurement and control of individual risks at centralized level for the entire Group.

The purpose of the Group's risk management policies is to:

- identify and analyze the risks to which the Group is exposed;
- define the organizational structure with the identification of the organizational units involved, responsibilities assigned and the system of proxies;
- identify the risk management criteria on which the operational management of risks is based;
- identify the types of transactions for which risks can be hedged.

The Condensed Consolidated Half-Year Financial Statements do not include all of the risk management disclosures mentioned above, required by IFRS. For a detailed description of this information, please refer to Note "E - RISKS" in the 2022 Consolidated Financial Statements.

### Classification and fair value

The tables below indicate the carrying amount of each financial asset and liability recognised in the statement of financial position.

Classification and fair value as of March 31, 2023	Notes	Carrying amount				Total	Fair value*		
		Loans and receivables	Investments in financial assets - Fair value	Derivatives at Fair value	Other financial liabilities		Level 1	Level 2	Level 3
<i>(in € thousands)</i>									
Cash and cash equivalents	25	109,638	-	-	-	109,638	-	-	-
Trade and other receivables	20-22-24	197,534	-	-	-	197,534	-	-	-
Financial assets including derivatives	19	37,152	15,387	848	-	163,646	15,387	848	-
<b>Financial assets</b>		<b>344,324</b>	<b>15,387</b>	<b>848</b>	<b>-</b>	<b>470,818</b>	<b>15,387</b>	<b>848</b>	<b>-</b>
Bank loans and borrowings	29	-	-	-	139,782	139,782	-	-	-
Lease payables	29	-	-	-	7,713	7,713	-	-	-
Trade and other payables	30-31-32	-	-	-	172,422	172,422	-	-	-
<b>Financial liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>319,917</b>	<b>319,917</b>	<b>-</b>	<b>-</b>	<b>-</b>

Classification and fair value as of December 31, 2022	Carrying amount					Fair Value*			
	Notes	Loans and receivables	Investments in financial assets - Fair value	Derivatives at Fair value	Other financial liabilities	Total	Level 1	Level 2	Level 3
				(in € thousands)					
Cash and cash equivalents	25	174,129	-	-	-	174,129	-	-	-
Trade and other receivables	20-22-24	170,418	-	-	-	170,418	-	-	-
Financial assets including derivatives	19	152,057	10,945	644	-	163,646	10,945	644	-
<b>Financial assets</b>		<b>496,604</b>	<b>10,945</b>	<b>644</b>	<b>-</b>	<b>508,193</b>	<b>10,945</b>	<b>644</b>	<b>-</b>
Bank loans and borrowings	29	-	-	-	274,763	274,763	-	-	-
Lease payables	29	-	-	-	6,436	6,436	-	-	-
Trade and other payables	30-31-32	-	-	-	195,608	195,608	-	-	-
<b>Financial liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>476,807</b>	<b>476,807</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*:Hierarchical scale of fair value

The tables show the financial instruments recognized at fair value based on the valuation technique used. The different levels have been defined as described below:

- Level 1: listed prices (unadjusted) on active markets for identical assets or liabilities;
- Level 2: input data other than the listed prices in level 1, which can be observed for the asset or liability either directly or indirectly;
- Level 3: input data relating to the asset or liability that are not based on observable market data (unobservable data).

During the periods under review, the Group did not make any changes regarding valuation techniques for financial instruments accounted for at fair value and did not reclassify financial assets between the different categories.

## E. SEGMENT REPORTING

The information relating to business segments was prepared in accordance with the provisions of IFRS 8 "Operating segments" (hereinafter "**IFRS 8**"), which require that the provided information is consistent with the reports submitted to the highest operational decision-making level for the purpose of making decisions regarding the resources to be allocated to the sector and assessing the related results.

In particular, the Group identifies the following three operational business segments:

- *Electrode Technologies*: this includes the offering of metal electrodes (anodes and cathodes) coated with special catalysts, electrolyzer components and systems, with multiple applications, in particular (i) for the production processes of chlorine and caustic soda; (ii) for the electronics industry and in the production of components for lithium battery production; (iii) for the refining of non-ferrous metals (nickel and cobalt); (iv) for the galvanic finishing industry; (v) for the cellulose and paper industry; and (vi) for the infrastructure sector for corrosion prevention of reinforced concrete and metal structures;
- *Water Technologies*: this includes offerings related to water treatment systems, which includes electrodes, equipment, systems and facilities for disinfection and filtration of drinking, wastewater and processing water; the main applications are residential swimming pool disinfection, municipal water disinfection and filtration, and industrial and marine water treatment.
- *Energy Transition*: this includes the offering of electrodes (anodes and cathodes), electrolyzer components, and systems (i) for the generation of hydrogen and oxygen through water electrolysis processes, (ii) for use in fuel cells for electricity generation from hydrogen or another energy carrier (e.g., methanol, ammonia) without CO<sub>2</sub> emissions, and (iii) for use in redox flow batteries;

In support of these business segments there are the so-called Corporate activities which costs are fully allocated to the segments.

The Energy Transition Business was identified starting from the second quarter of 2022 financial year, previously the related activities were included in the Electrode Technologies Business.

The following tables show the economic information by business segment for the three-month periods ended March 31, 2023 and 2022:

	<b>Three months ended March 31, 2023</b>			
	<b>Group Total</b>	<b><i>Electrode Technologies</i> Segment</b>	<b><i>Water Technologies</i> Segment</b>	<b><i>Energy Transition</i> Segment</b>
		<i>(in € thousands)</i>		
Revenue	<b>216,881</b>	118,936	71,390	26,556
Royalties and commissions	(2,227)	(1,530)	(650)	(48)
Cost of goods sold	(138,333)	(75,140)	(46,707)	(16,486)
Selling expenses	(7,484)	(2,135)	(4,837)	(513)
G&A expenses	(11,693)	(4,466)	(6,335)	(891)
R&D expenses	(3,536)	(890)	(228)	(2,417)
Other operating income (expenses)	83	(141)	224	-
Corporate costs allocation to <i>Business</i> segments	(7,200)	(3,809)	(2,494)	(897)
<b>EBITDA</b>	<b>46,491</b>	<b>30,824</b>	<b>10,362</b>	<b>5,305</b>
Depreciation and amortization	(7,240)			
Impairment	-			
Provisions for risks and charges	404			
<b>Operating profit - EBIT</b>	<b>39,655</b>			
Share of profit of equity-accounted investees	-			
Finance income	2,400			
Finance expenses	(6,325)			
<b>Profit before tax</b>	<b>35,730</b>			
Income tax expense	(10,727)			
<b>Profit for the period</b>	<b>25,003</b>			

	<b>Three months ended March 31, 2022</b>		
	<b>Group Total</b>	<b>Electrode Technologies Segment</b>	<b>Water Technologies Segment</b>
		<i>(in € thousands)</i>	
Revenue	200.080	113.886	86.194
Royalties and commissions	(2.496)	(2.174)	(322)
Cost of goods sold	(117.103)	(67.717)	(49.386)
Selling expenses	(6.829)	(2.438)	(4.391)
G&A expenses	(11.096)	(4.636)	(6.460)
R&D expenses	(2.668)	(2.429)	(239)
Other operating income (expenses)	465	59	406
Corporate expenses allocation to <i>Business</i> segments	(6.318)	(3.469)	(2.849)
<b>EBITDA</b>	<b>54.035</b>	<b>31.082</b>	<b>22.953</b>
Depreciation and amortization	(6.757)		
Impairment	(247)		
Provisions for risks and charges	(299)		
<b>Operating profit - EBIT</b>	<b>46.732</b>		
Share of profit of equity-accounted investees	(6.337)		
Finance income	7.433		
Finance expenses	(6.090)		
<b>Profit before tax</b>	<b>41.738</b>		
Income tax expense	(15.198)		
<b>Profit for the period</b>	<b>26.540</b>		

(\*) 2022 three months revenues of Electrode Technologies segment include Euro 4,472 thousand related to Energy Transition segment reported as a separate segment only starting from the second quarter 2022. Comparative data of the Energy Transition segment are not available for the other income statement lines.

The following table shows investments by business segment as of March 31, 2023:

	<b>Group Total</b>	<b>Electrode Technologies Segment</b>	<b>Water Technologies Segment</b>	<b>Energy Transition Segment</b>	<b>Activities Corporate</b>
			<i>(in € thousands)</i>		
<b>First three months ended March 31, 2023</b>					
Property, plant and equipment (**)	17,819	6,594	290	10,713	222
Intangible assets	1,860	140	1,064	220	436
<b>Total Investment as of 2023</b>	<b>19,679</b>	<b>6,734</b>	<b>1,354</b>	<b>10,933</b>	<b>658</b>

(\*\*) It does not include increases related to rights of use of Property, Plant and Equipment.

In accordance with the provisions of IFRS 8, paragraph 34, it should also be noted that for the three-month periods ended March 31, 2023 and 2022, there was only one customer (TK Nucera, an associated company) belonging to the

Electrode Technologies business and Energy Transition business segments that generated revenues exceeding 10% of the total, amounting to Euro 56,325 thousand and Euro 28,993 thousand, respectively.

The table below shows the non-current assets, other than financial assets and deferred tax assets, by geographical area at March 31, 2023 and at December 31, 2022, allocated on the basis of the country in which the assets are located.

**As of March 31, 2023**

	<b>Italy</b>	<b>EMEIA, excluding Italy</b>	<b>APAC</b>	<b>AMS</b>	<b>Total</b>
			<i>(in € thousands)</i>		
Intangible assets	8,845	4,452	16,380	98,678	128,355
Property, plant and equipment	36,273	29,021	72,403	58,555	196,252
Other receivables	8,168	14	780	65	9,027
<b>Total</b>	<b>53,286</b>	<b>33,487</b>	<b>89,563</b>	<b>157,298</b>	<b>333,634</b>

**As of December, 2022**

	<b>Italy</b>	<b>EMEIA, excluding Italy</b>	<b>APAC</b>	<b>AMS</b>	<b>Total</b>
			<i>(in € thousands)</i>		
Intangible assets	8,482	4,570	17,263	101,237	131,552
Property, plant and equipment	26,902	27,471	69,725	60,078	184,176
Other receivables	8,169	14	783	64	9,030
<b>Total</b>	<b>43,553</b>	<b>32,055</b>	<b>87,771</b>	<b>161,379</b>	<b>324,758</b>

## F. RELATED PARTY TRANSACTIONS

Transactions with related parties, as defined by IAS 24 - Related Party Disclosures, mainly relate to commercial, administrative and financial transactions. They are carried out as part of ordinary operations, within the scope of the core business of each party and take place on an arm's length basis. In particular, the Group has relations with the following related parties:

- the direct parent company, Federico De Nora S.p.A. (the "**Parent Company**");
- the associated company TK Nucera and its subsidiaries (the "**Associates**");
- minority shareholders and related companies, also through key executives (the "**Other Related Parties**");
- executives with strategic responsibilities ("**Top Management**").

The table below details the statement of financial position values referring to the related party transactions at March 31, 2023 and December 31, 2022 (excluding the transactions with Top Management, that are shown in the next section):

<i>(in € thousands)</i>	Controlling Company	Associates	Other - related parties	Total	Total statement of financial position caption	As percentage of total statement of financial position caption
<b>Other non-current receivables</b>						
As of March 31, 2023	-	-	52	<b>52</b>	9,027	0,6%
As of December 31, 2022	-	-	52	<b>52</b>	9,030	0,6%
<b>Current deferred tax assets</b>						
As of March 31, 2023	376	-	-	<b>376</b>	4,883	7,7%
As of December 31, 2022	376	-	-	<b>376</b>	4,893	7,7%
<b>Current trade receivables</b>						
As of March 31, 2023	27	31,201	14	<b>31,242</b>	145,473	21,5%
As of December 31, 2022	17	7,250	-	<b>7,267</b>	123,421	5,9%
<b>Other non-current payables</b>						
As of March 31, 2023	-	432	-	<b>432</b>	2,203	19,6%
As of December 31, 2022	-	444	-	<b>444</b>	2,384	18,6%
<b>Current trade payables</b>						
As of March 31, 2023	-	814	5	<b>819</b>	76,637	1,1%
As of December 31, 2022	25	775	89	<b>889</b>	80,554	1,1%
<b>Other current payables</b>						
As of March 31, 2023	-	15,640	330	<b>15,970</b>	79,659	20,0%
As of December 31, 2022	-	33,024	-	<b>33,024</b>	101,617	32,5%

Statement of financial position balances with the parent company mainly related to current tax assets amounting to Euro 376 thousand, unchanged with respect to last financial year, against the national tax consolidation agreement that was in place between the parent company Federico De Nora S.p.A., the Company, De Nora Italy S.r.l., De Nora Water Technology Italy S.r.l. and Capannoni S.r.l., extinguished in 2022 following the listing of Industrie De Nora S.p.A.

Balance sheet amounts with Associated Companies mainly correspond to current trade receivables equal to Euro 31,201 thousand and Euro 7,250 thousand, respectively at March 31, 2023 and at December 31, 2022, mainly concerning the sale of electrodes under the supply "Tool Manufacturing and Services Agreement" initially stipulated on April 1, 2015 with TK nucera and subsequently amended.

Other current payables to Associated Companies amounting to Euro 15,640 thousand and Euro 33,024 thousand as of March 31, 2023 and December 31, 2022, respectively, mainly related to advances obtained with reference to the aforementioned supply contract.

The table below shows the detail of the economic values relating to transactions with related parties for the three-month periods ended March 31, 2023 and 2022 (excluding the transactions with Top Management, that are shown in the next section)

<i>(in € thousands)</i>	Controlling Company	Associat es	Other - related parties	Total	Total statement of financial position caption	As percentage of total statement of financial position caption
<b>Revenue</b>						
Three months ended March 31. 2023	-	56,325	15	<b>56,339</b>	216,881	26.0%
Three months ended March 31. 2022	-	28,993	-	<b>28,993</b>	200,080	14.5%
<b>Other income</b>						
Three months ended March 31. 2023	15	153	-	<b>168</b>	1,415	11.9%
Three months ended March 31. 2022	12	198	-	<b>209</b>	1,600	13.1%
<b>Costs for raw materials, consumables, supplies and goods</b>						
Three months ended March 31. 2023	-	2	-	<b>2</b>	106,711	0.0%
Three months ended March 31. 2022	-	400	-	<b>400</b>	89,319	0.4%
<b>Costs for services</b>						
Three months ended March 31. 2023	17	15	336	<b>368</b>	42,702	0.9%
Three months ended March 31. 2022	17	12	221	<b>250</b>	31,618	0.8%
<b>Personnel expenses</b>						
Three months ended March 31. 2023	-	-	1	<b>1</b>	36,220	0.0%
Three months ended March 31. 2022	-	-	-	<b>-</b>	31,038	0.0%
<b>Other operating costs and expenses</b>						
Three months ended March 31. 2023	-	-	1	<b>1</b>	1,877	0.0%
Three months ended March 31. 2022	-	-	-	<b>-</b>	2,067	0.0%

The economic relations with the Associated Companies mainly relate to revenues, amounting to Euro 56,325 thousand and Euro 28,993 thousand, for the three-month periods ended March 31, 2023 and 2022, respectively, mainly concerning the sale of electrodes under the "Tool Manufacturing and Services Agreement" mentioned above.

Services to Other related parties include emoluments to members of the Board of Directors of Euro 330 thousand in the three-month periods ended March 31, 2023 (Euro 170 thousand in the three-month periods ended March 31, 2022), not yet paid as at March 31, 2023.

#### Transactions with Top Management

In addition to the balance sheet and income statement values with related parties presented in the tables above, the Group has recognized compensation to Top Management for the amount of Euro 1,230 thousand and Euro 1,060 thousand for the three-month periods ended March 31, 2023 and 2022, respectively. The payable in relation to Top Management amounted to Euro 448 thousand as of March 31, 2023.

The table below shows the breakdown of the aforementioned fees under the cost categories identified by IAS 24

	<b>Three months ended March 31</b>	
	<b>2023</b>	<b>2022</b>
	<i>(in € thousands)</i>	
Short-term employee benefits	1,185	1,010
Post-employment benefits	45	50
Other long-term benefits	-	-
Termination benefits;	-	-
Share-based payment	-	-
<b>Total</b>	<b>1,230</b>	<b>1,060</b>

Top Management compensation represents 3.4% of the total personnel expense both for the three-month period ended March 31, 2023 and for the three-month period ended March 31, 2022.



## G. NON RECURRING EVENTS

There aren't, in the period under analysis, non-recurring events and operations for which information are required according to Consob Communication n. DEM/6064293 del 28 July 2006.

## H. COMMITMENTS, GUARANTEES AND CONTINGENT LIABILITIES

Commitments: the Company has not undertaken any commitments that have not been recorded in the statement of financial position, except for some orders for the purchase of capital assets amounting to around Euro 35.8 million at March 31, 2023.

Contingent liabilities: the Group has not assumed any contingent liabilities that have not been recognised in the financial statements.

## I. EVENTS AFTER THE REPORTING DATE

- Following the occurrence of the circumstance indicated in Article 5.6, letter (ii), of the Company's by-laws, as a result of the sale of shares communicated to the Company and to the market by the shareholders Asset Company 10 S.r.l., a wholly owned subsidiary of Snam S.p.A., Federico De Nora S.p.A. and Norfin S.p.A. on 5 April 2023, no. 7,304,480 shares with multiple voting rights have been automatically converted into ordinary shares, at a conversion ratio of no. 1 (one) ordinary share for each share with multiple voting rights, without the need for any manifestation of will on the part of the respective holders and without any change in the amount of the Company's share capital. The conversion is effective on 11 April 2023.

As a result of this share conversion, the Industrie De Nora S.p.A.'s share capital remains equal to €18,268,203.90 and the number of ordinary shares increases from no. 43,899,499 to no. 51,203,979, with no indication of par value, corresponding to the same number of voting rights, while the number of multiple voting shares decreases from no. 157,785,675 to 150,481,195, with no indication of par value, corresponding in aggregate to 451,443,585 voting rights. The total number of shares remains unchanged at 201,685,174, and the aggregate number of voting rights decreases from 517,256,524 to 502,647,564.

- The Ordinary Shareholders' Meeting of Industrie De Nora S.p.A. held on April 28, 2023 deliberated to distribute a gross dividend of Euro 0.12 per share to eligible shareholders (ex-dividend date is set on May 22, 2023, record date, pursuant to Article 83-terdecies of Legislative Decree No. 58 of February 24, 1998, on May 23, 2023, and payment date on May 24, 2023). The dividend is equal to Euro 0.12 per share to be paid both from the profit for the year 2022 shown in the financial statements and the profit reserves previously set aside. The total disbursement will amount to Euro 24,202,220.88, gross of withholding taxes, by use of the profit for the year for an amount corresponding to Euro 11,518,004.16 and the profit reserves previously set aside for an amount corresponding to 12,684,216.72.
- De Nora, through its subsidiary Capannoni S.r.l., finalized at the end of April the acquisition of a disused industrial area adjacent to the existing area of Via Bistolfi 35. The objective of this acquisition is to host new offices, laboratories and collaborative spaces, improving the Milan workplace through the creation of a “campus” and allowing the planned workforce expansion.

Milan, May 10, 2023

On behalf of the Board of Directors  
The Managing Director  
Paolo Enrico Dellachà

