

*The present is the English translation of the Italian official report.
For any difference between the two texts, the Italian text shall prevail.*



SAES Getters S.p.A.

Capital Stock Euro 12,220,000 fully paid-in
Address of Principal Executive Offices:
Viale Italia, 77 – 20045 Lainate (Milan), Italy
Registered with the Milan Court Companies Register no. 00774910152

Additional periodic financial information as at March 31, 2023

HIGHLIGHTS OF THE FIRST QUARTER OF 2023

In the first quarter of 2023 the SAES Group® recorded **consolidated revenue** equal to €60.2 million, up by 1.7% (+€1 million) compared to €59.2 million in the corresponding quarter of 2022.

Excluding the positive **exchange rate effect** equal to +3% (+€1.8million) the change was negative for -€0.8 million: the revenue's growth in the **Medical Nitinol Division**, in line with that of the minimally invasive medical market, and in the **Industrial Division**, mainly driven by SMA industrial sales in the mobile & portable sectors, was not enough to offset the decrease in the **Packaging** and **Chemicals Divisions**, the former mainly penalized by the consumer crisis due to inflation, while the latter was affected by the slowdown in sales in the consumer electronics sector. In the **High Vacuum Division**, the organic decrease, more evident after a particularly favorable first quarter in 2022, was completely offset by the first line-by-line consolidation of SAES RIAL Vacuum S.r.l. (+€1.5 million).

Thousand of euro (except %)

Divisions and Businesses	1Q 2023	1Q 2022	Total difference (%)	Organic change (%)	Exchange rate effect (%)	Change in consolidation scope (%)
Getters & Dispensers	11,463	11,738	-2.3%	-4.0%	1.7%	0.0%
Sintered Materials	2,278	2,560	-11.0%	-14.9%	3.9%	0.0%
SMA Materials	5,070	3,441	47.3%	43.7%	3.6%	0.0%
SAES Industrial	18,811	17,739	6.0%	3.6%	2.4%	0.0%
High Vacuum Solutions	6,594	6,887	-4.3%	-25.9%	0.4%	21.3%
SAES High Vacuum	6,594	6,887	-4.3%	-25.9%	0.4%	21.3%
Medical Nitinol	31,211	27,469	13.6%	8.7%	4.9%	0.0%
SAES Medical Nitinol	31,211	27,469	13.6%	8.7%	4.9%	0.0%
Functional Chemicals	1,923	3,423	-43.8%	-43.8%	0.0%	0.0%
SAES Chemicals	1,923	3,423	-43.8%	-43.8%	0.0%	0.0%
Packaging Solutions	1,608	3,638	-55.8%	-55.8%	0.0%	0.0%
SAES Packaging	1,608	3,638	-55.8%	-55.8%	0.0%	0.0%
Not Allocated	11	0	0.0%	0.0%	0.0%	0.0%
Consolidated revenue	60,158	59,156	1.7%	-3.8%	3.0%	2.5%

Comparing the **first quarter of 2023** with the **fourth quarter of 2022**, the decrease in revenue, equal to -€2.8 million, was almost entirely attributable to the **exchange rate effect**, negative by -3.7% (-€2.3 million). Excluding the latter, the organic decrease amounted to only -€0.5 million, mainly attributable to the **High Vacuum Division** (please note that the fourth quarter of 2022 was particularly favorable, due to the closure of some projects in the particle accelerators sector), while all the other Divisions showed an organic growth (in particular, the **Industrial Division**, driven by the SMA Materials business) or were essentially in balance (**Chemicals Division**).

Thousand of euro (except %)

Divisions and Businesses	1Q 2023	4Q 2022	Total difference (%)	Organic change (%)	Exchange rate effect (%)
Getters & Dispensers	11,463	12,299	-6.8%	-4.0%	-2.8%
Sintered Materials	2,278	2,326	-2.1%	2.9%	-5.0%
SMA Materials	5,070	3,949	28.4%	32.2%	-3.8%
SAES Industrial	18,811	18,574	1.3%	4.6%	-3.3%
High Vacuum Solutions	6,594	8,430	-21.8%	-20.5%	-1.3%
SAES High Vacuum	6,594	8,430	-21.8%	-20.5%	-1.3%
Medical Nitinol	31,211	32,525	-4.0%	0.9%	-4.9%
SAES Medical Nitinol	31,211	32,525	-4.0%	0.9%	-4.9%
Functional Chemicals	1,923	2,084	-7.7%	-7.7%	0.0%
SAES Chemicals	1,923	2,084	-7.7%	-7.7%	0.0%
Packaging Solutions	1,608	1,302	23.5%	23.5%	0.0%
SAES Packaging	1,608	1,302	23.5%	23.5%	0.0%
Not Allocated	11	14	-21.4%	-21.4%	0.0%
Consolidated revenue	60,158	62,929	-4.4%	-0.7%	-3.7%

Consolidated gross profit¹ was equal to €26.6 million in the first quarter of 2023, slightly up (+2.9%) compared to €25.9 million in the corresponding period of 2022, mainly driven by the **Medical Nitinol Division** and by the SMA Materials business of the **Industrial Division**, as well as by the positive exchange rate effect. All the other Divisions were slightly down, penalized by lower sales. The change in the consolidation scope (acquisition of 100% of SAES RIAL Vacuum S.r.l. on May 25, 2022) led to an effect on gross profit of +€0.3 million, while the currency effect was positive and equal to €0.8 million.

Gross profit margin² increased from 43.8% to 44.3%, again driven by the **Medical Nitinol Division**. On the other hand, please note the dilutive effect of the change in the consolidation scope³ of the **High Vacuum Division** and the lower economies of scale in the **Packaging and Chemicals Divisions**.

Consolidated operating profit amounted to €7 million (11.6% of revenue) in the first quarter of 2023, compared to an operating profit of €10.1 million (17% of revenue) in the first quarter of the previous year: the growth in gross profit was more than offset by higher operating expenses, also penalized by **non-recurring items in the general and administrative expenses** (€1.3 million of consultancy costs for the potential sale of the medical business and €0.8 million of severance costs of the Parent Company).

Please note that the consolidation of SAES RIAL Vacuum S.r.l. contributed to the increase in operating profit for €10 thousand, while the exchange rate effect was positive for €0.6 million.

Consolidated EBITDA⁴ was equal to €10.9 million (18.1% of revenue), compared to €13.7 million (23.1% of revenue) in the first quarter of 2022. Excluding non-recurring operating expenses in the first quarter of 2023,

¹ Calculated as the difference between revenue and industrial costs directly and indirectly attributable to the products sold.

² Calculated as the ratio between gross profit and revenue.

³ Acquisition of 100% of SAES RIAL Vacuum S.r.l. in May 2022.

⁴ EBITDA is not deemed as an accounting measure under IFRS standards; however, we believe that EBITDA is an important parameter for measuring the Group's performance and therefore it is presented as an alternative measurement. Since its calculation is not regulated by

equal to €2.1 million, EBITDA would have been equal to €13 million (21.6%), only slightly lower than that in the first quarter of 2022 and with a trend in line with that of the operating profit.

Please note that the consolidation of SAES RIAL Vacuum S.r.l. contributed to the increase in EBITDA for €0.2 million, while the exchange rate effect was positive for €0.7 million.

Consolidated profit amounted to €5.2 million in the first quarter of 2023, almost tripled compared to €1.7 million in the corresponding quarter of 2022, the latter penalized by the negative performance of the securities portfolio.

The **consolidated net financial position** was positive and equal to €64 million as at March 31, 2023, aligned to that at December 31, 2022 (€64.3 million). In the operating management, positive for €2 million, the self-financing (+€13 million) was absorbed by the increase in the net working capital, while in the investment management, capex (-€2.4 million) was balanced by the positive performance of the securities in the portfolio (+€2.1 million).

We are very satisfied with the results of the quarter, that showed very good operating indicators, achieved thanks to the growth in revenue, despite an increase in operating expenses necessary to support the growth of the Group.

We are confident that the coming months will improve, despite the possible deterioration in exchange rates. We are working hard to complete the recently announced extraordinary operation on savings shares, which aims to rationalize the capital structure, with obvious benefits for all shareholders.

applicable accounting standards, the method applied by the Group may not be homogeneous with the ones adopted by other Groups. EBITDA is calculated as "Pre-tax profit (loss) for the year, net of exchange differences, share of the profit (loss) of equity-accounted investees, net financial expenses, as well as impairment losses on property, plant and equipment and intangible assets and amortization/depreciation".

CONSOLIDATED FINANCIAL STATEMENTS**Consolidated Statement of profit (loss)**

Thousand of euro

	1Q 2023	1Q 2022 (*)
Revenue	60,158	59,156
Cost of sales	(33,525)	(33,265)
Gross profit	26,633	25,891
Research & development expenses	(3,420)	(3,193)
Selling expenses	(4,713)	(3,863)
General & administrative expenses	(11,624)	(8,655)
Impairment on trade receivables	7	(28)
Total operating costs	(19,750)	(15,739)
Other income	286	120
Other expenses	(188)	(211)
Operating profit	6,981	10,061
Financial income	2,374	703
Financial expense	(804)	(6,358)
Impairment losses on loan assets and other financial assets	(161)	(130)
Share of profit of equity-accounted investees	0	3
Exchange gains	601	172
Exchange losses	(574)	(324)
Pre-tax profit	8,417	4,127
Income taxes	(3,251)	(2,397)
Profit from continuing operations	5,166	1,730
Profit from discontinued operations	0	0
Profit for the period	5,166	1,730
<i>attributable to:</i>		
- the owners of the parent	5,166	1,730
- non-controlling interests	0	0

(*) Some comparative amounts shown in the column have been restated with respect to the amounts of 1Q 2022, in order to reflect the adjustments resulting from the completion of the provisional assessment of the business combination of Strumenti Scientifici Cinel S.r.l..

Consolidated Statement of comprehensive income

Thousand of euro

	1Q 2023	1Q 2022 (*)
Profit for the period	5,166	1,730
Exchange differences from translation of financial statements in foreign currencies	(2,824)	2,659
Release of translation reserve for liquidation of subsidiaries	(87)	0
Total other comprehensive income which may be subsequently reclassified to profit or loss	(2,911)	2,659
Net fair value losses on investments in other companies	(17)	0
Income taxes	0	0
Total other comprehensive income (expense) that will not be subsequently reclassified to profit or loss	(17)	0
Total other comprehensive income, net of taxes	(2,928)	2,659
Total profit for the period and other comprehensive income	2,238	4,389
<i>attributable to:</i>		
- the owners of the parent	2,238	4,389
- non-controlling interests	0	0

Consolidated Statement of Financial Position

Thousand of euro

	March 31, 2023	December 31, 2022
Property, plant and equipment	91,488	92,697
Intangible assets	13,671	14,187
Goodwill	52,209	52,929
Right-of-use assets	5,092	5,481
Securities	0	0
Other non-current assets	11,562	10,954
Current assets	280,583	274,995
Total Assets	454,605	451,243
Equity attributable to the owners of the	266,291	264,053
Equity attributable to non-current interests	0	0
Total equity	266,291	264,053
Non-current liabilities	26,024	25,866
Current liabilities	162,290	161,324
Total equity and liabilities	454,605	451,243

Consolidated statement of cash flows

Thousands of euro

	1Q 2023	1Q 2022
Profit for the period	5,166	1,730
Income taxes	3,251	2,397
Depreciation of right-of-use assets	640	623
(Reversal of impairment losses) impairment losses on right-of-use assets	0	0
Depreciation of property, plant and equipment	2,661	2,328
(Reversal of impairment losses) impairment losses on property, plant and equipment	0	219
Amortisation of intangible assets	583	427
(Reversal of impairment losses) impairment losses on intangible assets	0	0
Gains (losses) on the disposal of property, plant and equipment and intangible assets	0	0
Net financial (income) expense	(1,409)	5,783
Impairment losses on trade receivables	(7)	28
Other non-monetary expense (income)	(33)	118
Other non-monetary change in post-employment and other benefits	2,194	2,673
Accrual (utilization) of provisions for risks and charges	(4)	(10)
	13,042	16,316
Change in operating assets and liabilities	(7,156)	(8,847)
Payments of post-employment and other benefits	(3,774)	(2,944)
Taxes paid	(123)	(545)
Cash flows generated by operating activities	1,989	3,980
Acquisition of property, plant and equipment	(2,327)	(2,209)
Acquisition of intangible assets	(81)	(222)
Proceeds from the disposal of property, plant and equipment and intangible assets	0	0
Purchase of securities	(1,178)	(9,303)
Disinvestments of securities	1,100	9,033
Income from securities, net of management fees	357	474
Investments in other companies	(315)	(44)
Financial liabilities repaid to (granted by) related parties	(231)	49
Financial liabilities repaid to (granted by) third parties	0	(148)
Interest income on financial assets with related parties	0	1
Interest and other financial income received	45	23
Cash flows generated by (used in) investing activities	(2,630)	(2,346)
Proceeds from non-current financial liabilities, current portion included	0	0
Repayment of non-current financial liabilities	(211)	(31)
Interest paid on non-current financial liabilities	(28)	(29)
Proceeds from current financial liabilities	136,500	115,806
Repayment of current financial liabilities	(134,094)	(111,500)
Interests paid on current financial liabilities	(456)	(119)
Interest and other financial expense paid	(104)	(124)
Other costs paid	0	(5)
Repayment of lease liabilities	(672)	(602)
Interests paid on leases	(72)	(47)
Cash flows provided by (used in) financing activities	863	3,349
Increase (decrease) in cash and cash equivalents	222	4,983
Opening cash and cash equivalents	41,803	29,287
Effect of exchange rate changes on cash flows	(518)	727
Closing cash and cash equivalents	41,507	34,997

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**Accounting Principles, Methods and Structure of the Group**

This document has been prepared applying the international accounting standards (IFRS) and in accordance with article 2.2.3, paragraph 3, of the Regulation of the Markets organized and managed by Borsa Italiana S.p.A. Concerning the content, please make reference to the pre-existing article 154-ter, paragraph 5, of

“Financial Consolidation Act”, also in the light of what clarified by ESMA in the Q&A on the Directive 2004/109/CE.

The additional periodic information is consistent with the accounting principles that govern the preparation of the annual and consolidated financial statements, insofar as they are applicable. Evaluation procedures adopted in the additional periodic financial information are substantially similar to those usually applied to prepare the annual and consolidated financial statements.

In relation to the changes in the scope of consolidation occurred during the first quarter of 2023, on March 17, 2023, **the liquidation process of the Korean subsidiary SAES Getters Korea Corporation was completed** with the return of the remaining cash to the Parent Company.

Please, also note that, at the beginning of January 2023, the Parent Company had its **shareholding in Flexterra, Inc. increased from 46.84% to 47.10%**, following the repurchase by the joint venture, for a symbolic value of one dollar, of the shares previously held by a small individual shareholder.

With regard to the **investment** in the **EUREKA! Venture capital fund**, on January 16, 2023 a **payment of €139 thousand** was made, including both the share of the fund's costs and the share for the continuation of the investment in the companies Caracol S.r.l. and Inta System S.r.l., innovative start-ups operating respectively in the additive manufacturing and in the lab-on-chip production sectors. On March 27, 2023, a further **payment of €177 thousand was made**, including the share of the fund's costs, the share for the continuation of the investment in the company Fleep Technologies S.r.l. (an innovative start-up operating in the printed electronics sector) and for the new investments in the companies Planckian and I-Tes (respectively operating in the quantum technology and in the energy storage).

Relevant events occurred in the first quarter of 2023

Starting from January 1, 2023, **SAES RIAL Vacuum S.r.l. was included in the scope of the national tax consolidation** together with the other companies of the Group that are already part of it.

On January 9, 2023, the SAES Group signed a **binding agreement with the U.S. company Resonetics for the sale of the Nitinol business** and, in particular, of the **U.S. subsidiaries Memry Corporation and SAES Smart Materials, Inc.** For further details and updates, please refer to the dedicated section entitled "Binding agreement for the sale of U.S. subsidiaries Memry Corporation and SAES Smart Materials, Inc." in this Additional periodic financial information as at March 31, 2023.

In mid-January 2023, **SAES Coated Films S.p.A. started an ordinary redundancy fund program** lasting thirteen weeks and involving almost all its employees. After that period, the program was not further renewed.

Please note that at the end of January 2023 SAES Getters S.p.A. **paid the first tranche**, equal to \$250 thousand, **of the additional convertible loan to Flexterra**, approved on December 7, 2022. This financial receivable has already been written down with no negative impact in the income statement of the current period, as a provision for risks and charges had already been recorded as at December 31, 2022 against the SAES Group's irrevocable commitment to the loan.

At the beginning of February 2023, Memry Corporation **repaid early the loan granted by the State of CT** (debt amounting to €212 thousand as at December 31, 2022).

On February 1, 2023, following the resignation submitted by the Director Adriano De Maio as a member of the **Remuneration and Appointments Committee**, the Board of Directors appointed **Alessandra della Porta** as a member of the Committee to replace the Director De Maio.

On February 22, 2023, SAES Getters S.p.A. obtained the **extension to December 31, 2023 of the revolving cash credit facility** amounting to €30 million, signed with Unicredit S.p.A. on March 6, 2020, and with an original maturity on March 6, 2023.

On March 1, 2023 SAES Getters S.p.A., as Sole Shareholder, resolved the **total waiver of the financial receivables** that it held at the end of 2022 in favor of SAES Nitinol S.r.l. for an amount of €233 thousand. At the same time, the Parent Company resolved in favor of SAES Nitinol S.r.l. a **capital contribution** of €28 thousand as a shareholders' payment to cover losses, with the goal of reconstituting the share capital eroded by the losses of 2022. Finally, SAES Getters S.p.A. resolved to **pay⁵ an additional amount**, equal to €900 thousand, **to be allocated within the item “available reserves” of the shareholders' equity** of SAES Nitinol S.r.l., to provide the subsidiary with the necessary provisions to ensure its business continuity.

On March 6, 2023, the Independent Director **Luciana Sara Rovelli** submitted her **resignation** due to significant discrepancies regarding the strategic vision of the Company. Therefore, as of March 6, 2023, Luciana Rovelli ceased to hold all the positions assigned to her, and specifically: Chairman of the Remuneration and Appointments Committee; Member of the Control and Risk and Sustainability Committee; Chairman of the Supervisory Board, as well as Member of the Related Party Transactions Committee.

On March 7, 2023, the Board of Directors appointed, in place of Luciana Rovelli, the Director Stefano Proverbio, an Independent Director, as member of the Remuneration and Appointments Committee, conferring him the role of Chairman, and as Chairman of the Supervisory Board, of which he is already a member. On April 28, 2023, the Ordinary Shareholders' Meeting also confirmed the appointment of Dr. **Maria Pia Maspes** as **Independent Director**, who joined the Board of Directors on March 29, 2023 by cooptation, pursuant to Article 2386 of the Civil Code. In addition, the Board of March 29, 2023 had appointed the Independent Director Maria Pia Maspes as a Member of the **Audit and Risk and Sustainability Committee**, of the **Related Party Transactions Committee** and of the **Supervisory Board**.

On March 29, 2023, upon authorization by the Board of Directors of SAES Getters S.p.A., SAES Nitinol S.r.l. resolved to **waive the residual portion of interest accrued until December 31, 2022 on the loans granted to the joint venture Actuator Solutions GmbH**, amounting to €1.6 million⁶, to ensure its business continuity and accelerate the reconstruction of its equity. The aforementioned waiver, completed in April, has no effect on the consolidated financial statements, as the financial receivable related to the interest-bearing loan (both principal and interest) had already been fully written-off as at December 31, 2022, as it was deemed unlikely to be recoverable. The same Board of Directors also resolved to maintain the current interest rate on the same loan at 2%.

In order to manage the economic impact generated by the fluctuations in the exchange rates, primarily the US dollar, the Group enters into hedges on current and future receivables related to the sales transactions denominated in currencies other than the euro of the Parent Company.

Particularly, as at March 31, 2023 the Group holds forward contracts on the US dollar which have a total notional value of USD 9 million. Their average forward exchange rate is USD 1.0570 against the euro and all these contracts will extend throughout the remaining part of the fiscal year 2023.

Subsequent to March 31, 2023 no further forward contracts have been entered into.

Restatement of balances as at March 31, 2022

The balances as at March 31, 2022, presented for comparative purposes, have been restated to reflect the adjustments deriving from the completion of the provisional valuation of the business combination⁷ of Strumenti Scientifici Cinel S.r.l., in compliance with the provisions of IFRS 3.

⁵ Actual payment made in April 2023.

⁶ In addition to the share of interest, equal to €0.8 million, already waived by SAES Nitinol S.r.l. in the previous years.

⁷ Business combination finalized on July 7, 2021.

SAES Group – Additional periodic financial information as at March 31, 2023

Thousands of euro

	SAES Industrial	SAES High Vacuum			SAES Medical	SEAS Chemicals	SAES Packaging	Non Allocated	Totale		
	1Q 2022	1Q 2022	Adjustment	1Q 2022 restated	1Q 2022	1Q 2022	1Q 2022	1Q 2022	1Q 2022	Adjustment	1Q 2022 restated
Revenue	17,739	6,887	0	6,887	27,469	3,423	3,638	0	59,156	0	59,156
Cost of sales	(8,487)	(3,158)	(141)	(3,299)	(15,528)	(2,706)	(3,245)	0	(33,124)	(141)	(33,265)
Gross profit	9,252	3,729	(141)	3,588	11,941	717	393	0	26,032	(141)	25,891
% on revenue	52.2%	54.1%	n.a.	52.1%	43.5%	20.9%	10.8%	n.a.	44.0%	n.a.	43.8%
Operating costs and other income (expenses)	(3,664)	(1,523)	(52)	(1,575)	(2,433)	(334)	(927)	(6,897)	(15,778)	(52)	(15,830)
Operating profit (loss)	5,588	2,206	(193)	2,013	9,508	383	(534)	(6,897)	10,254	(193)	10,061
% on revenue	31.5%	32.0%	n.a.	29.2%	34.6%	11.2%	(14.7%)	n.a.	17.3%	n.a.	17.0%
Financial income									703	0	703
Financial expense									(6,358)	0	(6,358)
Impairment losses of financial receivables and other financial assets									(130)	0	(130)
Share of profit of equity-accounted investees									3	0	3
Net exchange gains (losses)									(152)	0	(152)
Pre-tax profit (loss)									4,320	(193)	4,127
Income taxes									(2,451)	54	(2,397)
Profit (loss) from continuing operations									1,869	(139)	1,730
Profit (loss) from discontinued operations									0	0	0
Profit (loss) for the period									1,869	(139)	1,730

Net Sales by Business and by Geographic Location of Customers

SAES Industrial Division	
Getters & Dispensers	Non-evaporable getters and traditional dispensers, based on metal alloys, with various industrial applications (consumer electronics, security and defense, medical imaging diagnostics, vacuum thermal insulation and traditional discharge lamps, etc.), as well as dispensable getters based on functionalized polymers (OLED applications for the consumer electronics, optoelectronics, advanced photonics and telecommunications markets)
Sintered Materials	Dispensable cathodes for electronic tubes and devices for thermal dissipation in solid-state components and lasers
SMA Materials	Shape memory alloys and super elastic materials and components for the industrial sector (domotics, white goods industry, consumer electronics, non-implantable medical business, automotive and luxury sector)
SAES High Vacuum Division	
High Vacuum Solutions	Getter pumps for vacuum systems that find application in the industrial sector, in research and in particle accelerators
SAES Medical Nitinol Division	
Medical Nitinol	Nitinol raw material and components for the biomedical sector
SAES Chemicals Division	
Functional Chemicals	Functional acoustic composites for consumer electronics applications and new functional materials being validated by prospects
SAES Packaging Division	
Packaging Solutions	Lacquers and advanced plastic films for the sustainable packaging sector

Thousand of euro (except %)

Divisions and Businesses	1Q 2023	1Q 2022	Total difference (%)	Organic change (%)	Exchange rate effect (%)	Change in consolidation scope (%)
Getters & Dispensers	11,463	11,738	-2.3%	-4.0%	1.7%	0.0%
Sintered Materials	2,278	2,560	-11.0%	-14.9%	3.9%	0.0%
SMA Materials	5,070	3,441	47.3%	43.7%	3.6%	0.0%
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SAES High Vacuum	6,594	6,887	-4.3%	-25.9%	0.4%	21.3%
Medical Nitinol	31,211	27,469	13.6%	8.7%	4.9%	0.0%
SAES Medical Nitinol	31,211	27,469	13.6%	8.7%	4.9%	0.0%
Functional Chemicals	1,923	3,423	-43.8%	-43.8%	0.0%	0.0%
SAES Chemicals	1,923	3,423	-43.8%	-43.8%	0.0%	0.0%
Packaging Solutions	1,608	3,638	-55.8%	-55.8%	0.0%	0.0%
SAES Packaging	1,608	3,638	-55.8%	-55.8%	0.0%	0.0%
Not Allocated	11	0	0.0%	0.0%	0.0%	0.0%
Consolidated revenue	60,158	59,156	1.7%	-3.8%	3.0%	2.5%

Consolidated Revenue by Geographic Location of Customer

Thousand of euro

of which:

Geographic Area	1Q 2023	1Q 2022	Change in consolidation scope
Italy	1,295	1,771	93
European countries	9,879	11,769	312
North America	38,521	34,185	1,059
Japan	1,710	1,857	0
South Korea	300	687	0
China	6,704	6,168	0
Rest of Asia	1,342	1,390	0
Rest of the World	407	1,329	0
Consolidated revenue	60,158	59,156	1,464

In the first quarter of 2023 the SAES Group recorded **consolidated revenue** equal to €60.2 million, up by 1.7% (+€1 million) compared to €59.2 million in the corresponding quarter of 2022.

Excluding the positive **exchange rate effect** equal to +3% (+€1.8million) the change was negative for -€0.8 million: the revenue's growth in the **Medical Nitinol Division**, in line with that of the minimally invasive medical market, and in the **Industrial Division**, mainly driven by SMA industrial sales in the mobile & portable sectors, was not enough to offset the decrease in the **Packaging** and **Chemicals Divisions**, the former mainly penalized by the consumer crisis due to inflation, while the latter was affected by the slowdown in sales in the consumer electronics sector. In the **High Vacuum Division**, the organic decrease, more evident after a particularly favorable first quarter in 2022, was completely offset by the first line-by-line consolidation of SAES RIAL Vacuum S.r.l. (+€1.5 million).

Including also the share of the revenue of the joint ventures⁸, **total revenue of the Group** was equal to €60.5 million in the first quarter of 2023, slightly up (+0.2%) compared to €60.3 million in the first quarter of 2022: the increase in consolidated revenue (+1.7%) was offset by lower revenue of the joint venture Actuator Solutions GmbH (revenue is not comparable in the two quarters due to the sale of the last production line of actuators for the seat comfort automotive business completed at the end of 2022) and the line-by-line consolidation of the joint venture SAES RIAL Vacuum S.r.l. starting from May 25, 2022.

⁸ Actuator Solutions GmbH (50%) and Flexterra (47.10%).

Thousand of euro

	1Q 2023	1Q 2022	Difference
Consolidated revenue	60,158	59,156	1,002
50% revenue of the joint venture Actuator Solutions GmbH	384	734	(350)
49% revenue of the joint venture SAES RIAL Vacuum S.r.l. (*)	0	497	(497)
Revenue of the joint venture Flexterra (**)	0	0	0
Intergroup eliminations	(75)	(56)	(19)
Other adjustments	(1)	(15)	14
Total revenue of the Group	60,466	60,316	150

(*) SAES RIAL Vacuum S.r.l. fully consolidated starting from May 25, 2022.

(**) 46.84% during the first quarter 2022, increased to 47.10% at the beginning of 2023.

Information by operating segment

Thousand of euro

	SAES Industrial		SAES High Vacuum		SAES Medical Nitinol		SEAS Chemicals		SAES Packaging		Not Allocated		TOTAL	
	1Q 2023	1Q 2022	1Q 2023	1Q 2022	1Q 2023	1Q 2022	1Q 2023	1Q 2022	1Q 2023	1Q 2022	1Q 2023	1Q 2022	1Q 2023	1Q 2022
Revenue	18,811	17,739	6,594	6,887	31,211	27,469	1,923	3,423	1,608	3,638	11	0	60,158	59,156
Cost of sales	(9,347)	(8,487)	(3,671)	(3,299)	(17,233)	(15,528)	(1,658)	(2,706)	(1,558)	(3,245)	(58)	0	(33,525)	(33,265)
Gross profit	9,464	9,252	2,923	3,588	13,978	11,941	265	717	50	393	(47)	0	26,633	25,891
% on revenue	50.3%	52.2%	44.3%	52.1%	44.8%	43.5%	13.8%	20.9%	3.1%	10.8%	n.s.	n.a.	44.3%	43.8%
Operating costs and other income	(3,682)	(3,664)	(2,039)	(1,575)	(3,950)	(2,433)	(437)	(334)	(722)	(927)	(8,822)	(6,897)	(19,652)	(15,830)
Operating profit (loss)	5,782	5,588	884	2,013	10,028	9,508	(172)	383	(672)	(534)	(8,869)	(6,897)	6,981	10,061
% on revenue	30.7%	31.5%	13.4%	29.2%	32.1%	34.6%	-8.9%	11.2%	-41.8%	-14.7%	n.s.	n.a.	11.6%	17.0%

SAES Industrial Division

Consolidated revenue of the Industrial Division amounted to €18.8 million in the first quarter of 2023, up by 6% compared to €17.8 million in the corresponding quarter of 2022. The currency trend recorded a positive exchange rate effect of +2.4%, net of which revenue organically increased by 3.6%.

The organic increase was driven by the SMA Materials sector (+43.7%, equal to €1.5 million), thanks to the excellent performance of the mobile & portable sector and, to a lesser extent, by that of the automotive sector, that more than offset the decrease in the medical device actuators.

On the other hand, the Sintered Materials sector (negative organic change of -14.9%) suffered from the temporary slowdown in orders for heat sinks from a major customer, while the Getters & Dispensers segment (organic decrease equal to -4%) was penalized by the structural decline in the fluorescent lamp sector, as well as by a momentary decline in the healthcare segment due to some temporary internal production issues, also due to slowdowns in the supply chain. In addition, again in the Getters & Dispensers segment, please note the slight growth of the organic electronics sector, driven by the sales of new advanced products for 5G applications and for oximeters in the Chinese market.

Thousand of euro (except %)

Divisions and Businesses	1Q 2023	1Q 2022	Total difference (%)	Organic change (%)	Exchange rate effect (%)
Getters & Dispensers	11,463	11,738	-2.3%	-4.0%	1.7%
Sintered Materials	2,278	2,560	-11.0%	-14.9%	3.9%
SMA Materials	5,070	3,441	47.3%	43.7%	3.6%
SAES Industrial	18,811	17,739	6.0%	3.6%	2.4%

Gross profit of the Industrial Division amounted to €9.5 million in the first quarter of 2023, slightly up (+2.3%) compared to €9.3 million in the corresponding period of 2022, driven by higher **SMA Materials** sales, which offset the decline in margins in the **Sintered Materials** segment, penalized by temporary slowdowns in the production output.

Gross profit margin decreased from 52.2% to 50.3%, influenced by the aforementioned decrease in the margins of the **Sintered Materials** sector, as well as by the lower margins in the **SMA Materials** sector, essentially due to an increase in the cost of raw materials.

Operating profit of the Industrial Division was equal to €5.8 million, slightly up (+3.5%) compared to €5.6 million in the first quarter of 2022, in line with the trend in gross profit and sales, operating expenses being equal. The **operating margin** went from 31.5% to 30.7%, affected by the decrease in the gross profit margin, despite the lower incidence of operating expenses.

SAES High Vacuum Division

Consolidated revenue of the High Vacuum Division was equal to €6.6 million in the first quarter of 2023, substantially in line with €6.9 million recorded in the corresponding quarter of 2022: the increase related to the line-by-line consolidation of SAES RIAL Vacuum S.r.l. (+€1.5 million) made it possible to offset the organic decrease (-€1.8 million, compared to a particularly favorable first quarter of 2022, due to the concurrence of the revenue generated by the order with the RFX Consortium of Padua, active in experimental nuclear fusion, and related to sales of scientific instrumentation for accelerators). The currency trend recorded a positive exchange rate effect of +0.4%.

Thousand of euro (except %)

Divisions and Businesses	1Q 2023	1Q 2022	Total difference (%)	Organic change (%)	Exchange rate effect (%)	Change in consolidation scope (%)
High Vacuum Solutions	6,594	6,887	-4.3%	-25.9%	0.4%	21.3%
SAES High Vacuum	6,594	6,887	-4.3%	-25.9%	0.4%	21.3%

Gross profit of the High Vacuum Division was equal to €2.9 million in the first quarter of 2023, compared to €3.6 million in the first quarter of 2022, while the **gross profit margin** went from 52.1% to 44.3%: the first indicator was penalized by the organic decrease in sales, the second one by the dilutive effect of the consolidation of SAES RIAL Vacuum S.r.l., which ended the current quarter with a gross profit margin slightly above 23%.

Operating profit of the High Vacuum Division was equal to €0.9 million, compared to €2 million in the first quarter of 2022: the decrease in the gross profit was reflected in the operating profit for the period, both penalized by the organic decrease in sales. The **operating margin** went from 29.2% to 13.4%, again diluted by the first consolidation of SAES RIAL Vacuum S.r.l.

SAES Medical Nitinol Division

Consolidated revenue of the Medical Nitinol Division amounted to €31.2 million in the first quarter of 2023, up by 13.6% compared to €27.5 million in the corresponding period of 2022. The exchange rate effect was positive and equal to +4.9%, net of which the organic growth was equal to +8.7% (+€2.4 million in absolute value), in line with the growth of the minimally invasive medical market.

Thousand of euro (except %)

Divisions and Businesses	1Q 2023	1Q 2022	Total difference (%)	Organic change (%)	Exchange rate effect (%)
Medical Nitinol	31,211	27,469	13.6%	8.7%	4.9%
SAES Medical Nitinol	31,211	27,469	13.6%	8.7%	4.9%

Gross profit of the Medical Nitinol Division was equal to €14 million in the first quarter of 2023, up by 17.1% compared to €11.9 million in the corresponding period of 2022, while the **gross profit margin** increased from 43.5% to 44.8%: the excellent performance of the Division was a consequence of the increase in revenue.

The **operating profit** of the Medical Nitinol Division amounted to €10 million (32.1% of revenue), up by 5.5% compared to €9.5 million (34.6% of revenue) in the first quarter of 2022: excluding non-recurring operating expenses related to the planned sale of the Division (€1.3 million), operating profit would have been equal to €11.3 million, up by 19%, thanks to the excellent industrial performance, with constant operating expenses.

SAES Chemicals Division

Consolidated revenue of the Chemicals Division amounted to €1.9 million in the first quarter of 2023, compared to €3.4 million in the corresponding period of 2022 (-43.8%). There is no exchange rate effect, as sales were denominated exclusively in euro.

The decrease was substantially due to the slowdown in the consumer electronics market, the main outlet market for the products of this Division, in continuity with the latter part of 2022.

Thousand of euro (except %)

Divisions and Businesses	1Q 2023	1Q 2022	Total difference (%)	Organic change (%)	Exchange rate effect (%)
Functional Chemicals	1,923	3,423	-43.8%	-43.8%	0.0%
SAES Chemicals	1,923	3,423	-43.8%	-43.8%	0.0%

Gross profit of the Chemicals Division amounted to €0.3 million in the first quarter of 2023, compared to € 0.7 million in the corresponding period of 2022, while the **gross profit margin** decreased from 20.9% to 13.8%: the Division was mainly affected by the slowdown in sales in the consumer electronics market.

Operating profit of the Chemicals Division was negative for €0.2 million, compared to a positive figure of €0.4 million in the first quarter of 2022: sales volumes did not allow fixed costs to be covered.

SAES Packaging Division

Consolidated revenue of the Packaging Division amounted to €1.6 million in the first quarter of 2023, compared to €3.6 million in the first quarter of 2022 (-55.8%). Sales were exclusively denominated in euro.

The decrease was essentially due to three main factors:

- contraction in consumption due to the inflation crisis, with negative repercussions on the converting segment and on the entire packaging supply chain;
- energy crisis, which created liquidity problems especially to medium-small customers, induced to buy only for consumption, without creating stock;
- reduction in the shortage of some plastic materials that are alternatives to the SAES offer.

However, please note the increase in sales of innovative products related to recyclable plastic mono-material structures, in accordance with the EU Packaging Waste Directive, which, if approved, should favor the affirmation of the coating technology of SAES Coated Films S.p.A.

Thousand of euro (except %)

Divisions and Businesses	1Q 2023	1Q 2022	Total difference (%)	Organic change (%)	Exchange rate effect (%)
Packaging Solutions	1,608	3,638	-55.8%	-55.8%	0.0%
SAES Packaging	1,608	3,638	-55.8%	-55.8%	0.0%

Gross profit of the Packaging Division was at break-even (€50 thousand), compared to €0.4 million in the first quarter of 2022, while the **gross profit margin** decreased from 10.8% to 3.1%: also in this case, the decrease was exclusively due to lower sales and the consequent higher incidence of industrial fixed costs.

Operating profit of the Packaging Division was negative for €0.7 million, compared to a still negative value of €0.5 million in the first quarter of 2022: despite the reduction in operating expenses, also favored by the adoption of the ordinary redundancy fund and by lower transportation costs, the drop in volumes caused an operating loss substantially in line with that of the previous year.

Not Allocated

Not Allocated **consolidated revenue** amounted to €11 thousand in the first quarter of 2023 and referred exclusively to the initial sales related to the B!POD project, developed by the SAES Design House, for which new product launches are expected during the current year.

Also the Non Allocated **gross profit**, negative for -€47 thousand in the first quarter of 2023, referred exclusively to the new B!POD project.

The Non Allocated **operating profit** was negative for €8.9 million, compared to a negative amount equal to -€6.9 million. The worsening was mainly due, in addition to non-recurring costs for severance (€0.8 million), to higher expenses for legal and strategic consultancy of the Parent Company (general and administrative expenses) and to marketing costs for the B!POD project (selling expenses).

Finally, please note the following, included among **other income and expenses**:

- in the first quarter of 2023, an income, equal to €127 thousand, related to an adjustment on the sale price of the subsidiary SAES Pure Gas, Inc. (disposal completed in 2018), following a tax refund related to the period before the sale;
- in the first quarter of 2022, costs of €70 thousand for a donation to Ukraine.

Economic results of the first quarter of 2023

Consolidated gross profit was equal to €26.6 million in the first quarter of 2023, slightly up (+2.9%) compared to €25.9 million in the corresponding period of 2022, mainly driven by the **Medical Nitinol Division** and by the SMA Materials business of the **Industrial Division**, as well as by the positive exchange rate effect. All the other Divisions were slightly down, penalized by lower sales. The change in the consolidation scope (acquisition of 100% of SAES RIAL Vacuum S.r.l. on May 25, 2022) led to an effect on gross profit of +€0.3 million, while the currency effect was positive and equal to €0.8 million.

Gross profit margin increased from 43.8% to 44.3%, again driven by the **Medical Nitinol Division**. On the other hand, please note the dilutive effect of the change in the consolidation scope⁹ of the **High Vacuum Division** and the lower economies of scale in the **Packaging** and **Chemicals Divisions**.

Consolidated operating profit amounted to €7 million (11.6% of revenue) in the first quarter of 2023, compared to an operating profit of €10.1 million (17% of revenue) in the first quarter of the previous year: the growth in gross profit was more than offset by higher operating expenses, also penalized by **non-recurring items in the general and administrative expenses** (€1.3 million of consultancy costs for the potential sale of the medical business and €0.8 million of severance costs of the Parent Company).

Please note that the consolidation of SAES RIAL Vacuum S.r.l. contributed to the increase in operating profit for €10 thousand, while the exchange rate effect was positive for €0.6 million.

Consolidated EBITDA was equal to €10.9 million (18.1% of revenue), compared to €13.7 million (23.1% of revenue) in the first quarter of 2022. Excluding non-recurring operating expenses in the first quarter of 2023, equal to €2.1 million, EBITDA would have been equal to €13 million (21.6%), only slightly lower than that in the first quarter of 2022 and with a trend in line with that of the operating profit.

Please note that the consolidation of SAES RIAL Vacuum S.r.l. contributed to the increase in EBITDA for €0.2 million, while the exchange rate effect was positive for €0.7 million.

⁹ Acquisition of 100% of SAES RIAL Vacuum S.r.l. in May 2022.

Thousand of euro		<i>of which:</i>	
	1Q 2023	1Q 2022	Change in consolidation scope
Operating profit	6,981	10,061	10
Depreciation of property, plant and equipment and amortisation of intangible assets	(3,244)	(2,752)	(191)
Depreciation of right-of-use assets	(640)	(623)	(17)
Impairment losses on property, plant and equipment and intangible assets	0	(219)	0
EBITDA	10,865	13,655	218
% of revenue	18.1%	23.1%	14.9%

Consolidated operating expenses were equal to €19.8 million (32.8% of revenue) in the first quarter of 2023, compared to €15.7 million (26.6% of revenue) in the corresponding quarter of the previous year. Excluding the exchange rate effect (+€0.2 million) and the change in the consolidation scope (+€0.3 million), the increase was equal to €3.5 million in the first quarter of 2023.

While **research and development expenses** were substantially in line with those of the previous year (please only note a slight increase in personnel costs, due both to an increase in the Parent Company's workforce and to normal salary increases), **selling expenses** and, above all, **general and administrative expenses** increased. The former increased due to higher commissions on SMA Materials sales, higher travel costs related to the smooth recovery of the business and marketing costs for the B!POD project; the latter were also penalized by **non-recurring items (€1.3 million** of consultancy costs for the potential sale of the medical business and **€0.8 million** of severance costs in the plant of the Parent Company in Avezzano), as well as higher legal and strategic consultancy expenses of the Parent Company.

The balance of **other income and expenses** was essentially not material in both years (positive for €98 thousand in the first quarter of 2023 and negative for €91 thousand in the corresponding period of 2022). Within the amount for the current period, please note the income, equal to €127 thousand, related to an adjustment on the sale price of the subsidiary SAES Pure Gas, Inc. (disposal completed in 2018), following a tax refund related to the period before the sale; instead, in the previous period, please note the cost, equal to €70 thousand, for the donation to a local Ukrainian network in connection with the Embassy in Italy.

The balance of **financial income and expenses** was positive for €1.6 million, mainly composed of the result of the securities management (overall positive for €2.1 million), net of interest on loans and their related fees (-€0.7 million). In the corresponding quarter of 2022, the item was negative for €5.7 million, almost exclusively attributable to the reduction in the fair value of the securities in the portfolio (that had been affected by the international tensions resulting also from the crisis in Ukraine), as well as interest and bank fees equal to -€0.2 million.

The increase in interest expenses in the first quarter of 2023 (-€0.7 million, compared to -€0.2 million) was mainly due to the increase in interest rates.

The **loss due to the impairment of financial receivables and other financial assets** amounted to €0.2 million, including the write-downs of financial receivables corresponding to the interest accrued in the quarter on the loans granted by the Group to the German company RapiTag GmbH and to the joint ventures Actuator Solutions GmbH and Flexterra, Inc. as deemed difficult to recover on the basis of the available information (the same write-down was equal to €0.1 million in the first quarter of 2022, attributable exclusively to the two aforementioned joint ventures).

The **share of profit (loss) of equity-accounted investees** was nil in the first quarter of 2023, compared with a positive figure of €3 thousand in the same period of 2022 (income exclusively attributable to the joint venture SAES RIAL Vacuum S.r.l., consolidated line-by-line starting from May 25, 2022).

The **exchange rate income and losses** recorded a not significant balance in both quarters (positive for €27 thousand in the first quarter of 2023 and negative for €152 thousand in the corresponding period of the

previous year). Please note, within the income for the current period, an income equal to €87 thousand, related to the release into the income statement of the conversion reserve of SAES Getters Korea Corporation, following the liquidation of the Korean subsidiary.

The **pre-tax profit** was positive and equal to €8.4 million in the first quarter of 2023, more than doubled compared to €4.1 million in the first quarter of 2022. Please note that the result of the previous year was negatively affected by the reduction in the value of the securities portfolio due to international tensions and uncertainties.

Income taxes were equal to €3.3 million in the first quarter of 2023, compared to €2.4 million in the first quarter of 2022, and mainly included taxes of the manufacturing companies in the U.S.; the increase in absolute value was mainly attributable to the higher taxable income achieved by the latter, compared to the corresponding period of the previous year.

The Group **tax rate** went from 58.1% to 38.6%: the improvement was due to the fact that SAES Investments S.A. ended the current quarter with a positive taxable amount, against a tax loss¹⁰ as at March 31, 2022, in relation to which deferred tax assets had not been prudentially recognized.

The **profit for the period** amounted to €5.2 million, almost tripled compared to €1.7 million in the corresponding period of the previous year.

Net financial position

The **consolidated net financial position** as at March 31, 2023 was positive and equal to €64 million compared with net cash and cash equivalents equal to €64.3 million as at December 31, 2022. The first quarter 2023 ended with a positive **cash flow from operations** of +€2 million, although heavily penalized by the increase in net working capital (-€7.2 million). The latter was due to the following:

- the increase in **trade receivables** in the U.S., due to higher sales in the Medical Nitinol Divisions in the last part of the quarter, compared to the end of 2022;
- the increase in **inventories** in the Medical Nitinol Division (deferred deliveries due to some temporary production delays of a customer) and in the Industrial and High Vacuum Divisions (stocks in anticipation of machine downtime for maintenance and company closures in the second quarter of 2023);
- the reduction of **trade payables**, especially of the Parent Company, particularly high as at December 31, 2022 and related to special projects.

Investment activities were essentially at breakeven (-€0.8 million): the positive performance of the securities portfolio (+€2.1 million) substantially offset the capex (-€2.4 million); in addition, please note the payment of -€0.3 million to the venture capital fund EUREKA! and the payment of -€0.2 million of the first tranche of the additional convertible loan granted to the joint venture Flexterra.

The **financial management** was negative for -€1 million (mainly, interest on bank loans for -€0.6 million and leasing contracts for -€0.4 million).

Finally, the **exchange rate effect** was negative and amounted to -€0.5 million, attributable to the devaluation of both the dollar and the renminbi, as at March 31, 2023 compared to the end of 2022.

¹⁰ Loss caused by the negative performance of the securities portfolio held by the company, because of the crisis between Ukraine and Russia.

Thousand of euro

	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
Cash	9	10	9	8	9
Cash equivalents	41,706	42,129	47,486	35,127	35,569
Cash and cash equivalents	41,715	42,139	47,495	35,135	35,578
Financial assets with related parties	0	0	0	0	0
Securities	147,310	145,484	83,970	85,761	90,256
Derivative financial instruments	294	259	0	0	0
Current financial assets	147,604	145,743	83,970	85,761	90,256
Bank loans and borrowings	(67,663)	(65,302)	(87,419)	(77,530)	(68,577)
Current portion of non-current financial liabilities	(52,000)	(52,094)	(102)	(99)	(102)
Derivative financial instruments	0	0	(328)	(354)	(109)
Other financial liabilities	(29)	(30)	(12)	(7)	(13)
Lease liabilities	(2,142)	(2,545)	(2,123)	(2,233)	(2,275)
Current financial indebtedness	(121,834)	(119,971)	(89,984)	(80,223)	(71,076)
Current net financial position	67,485	67,911	41,481	40,673	54,758
Other financial assets with third parties	0	0	1,793	1,618	1,595
Securities	0	0	65,857	67,072	70,555
Non-current financial assets	0	0	67,650	68,690	72,150
Financial liabilities	0	(119)	(52,156)	(52,171)	(52,182)
Lease liabilities	(3,022)	(3,039)	(3,440)	(3,669)	(3,712)
Other financial liabilities	(465)	(462)	(459)	(457)	0
Non-current financial indebtedness	(3,487)	(3,620)	(56,055)	(56,297)	(55,894)
Non current net financial position (indebtedness)	(3,487)	(3,620)	11,595	12,393	16,256
Net financial position	63,998	64,291	53,076	53,066	71,014

Consolidated net result per share

In the first quarter of 2023, **net earnings per ordinary share** amounted to €0.27787 (to be compared with €0.06570 in the corresponding period of 2022) and **net earnings per savings share** amounted to €0.29450 (to be compared with €0.13855 in the first quarter of 2022).

Euro

	1Q 2023	1Q 2022
Basic/diluted earnings per ordinary	0.27787	0.06570
Basic/diluted earnings per savings	0.29450	0.13855

Performance of the joint ventures***Actuator Solutions GmbH***

Actuator Solutions GmbH is based in Gunzenhausen (Germany) and is 50% jointly controlled by SAES Nitinol S.r.l. and SMA Holding (formerly the Alfmeier Group). The joint venture is focused on the development of actuators that use shape memory alloys as engine replacement.

Actuator Solutions GmbH achieved **revenue** equal to €0.8 million in the first quarter of 2023, compared to €1.5 million in the corresponding period of 2022. However, the two periods are not comparable since, at the end of 2022, Actuator Solutions sold the last production line of actuators for the seat comfort automotive business, giving up sales, but receiving in exchange a commission on them equal to the margin that would have been realized had the production activity continued. In general, without considering the outsourcing of production activities, please note the slight decrease in automotive sales, penalized by the uncertainties on the supply chain. With regard to the fees generated by application developments in the actuator sector, please note that the decrease in sales for the “intelligent” mattress sector was offset by the sales of components for the B!POD project to the SAES Group.

Although both the **gross profit** (+€0.4 million) and the **operating profit** (-€0.2 million) were in line with those of the first quarter of 2022, the **profit for the period** was negative for -€0.3 million, compared to a break-even in the previous year. Indeed, the latter had been favored by the extraordinary income, equal to €0.3 million, generated by the partial waiver by the SAES Group of the interest accrued on the loans granted to Actuator Solutions GmbH. This waiver, in the current year, will be equal to €1.6 million and will be finalized during the second quarter of 2023.

Thousand of euro

Actuator Solutions GmbH	1Q 2023	1Q 2022
Statement of profit or loss	100%	100%
Revenue	768	1,469
Cost of sales	(327)	(1,074)
Gross profit	441	395
Total operating costs	(675)	(642)
Other income (expenses)	0	(1)
Operating profit (loss)	(234)	(248)
Interests and other financial income	(52)	252
Net exchange gains (losses)	1	1
Income taxes	1	3
Profit (loss) for the period	(284)	8

The share pertaining to the SAES Group in the loss of the joint venture would have been equal to -€0.1 million for the first quarter of 2023, however, since the SAES investment was already completely zeroed and as of today there is no legal or implicit obligation to recapitalize, SAES' share of the loss at March 31, 2023 has not been recognized as a liability.

Actuator Solutions - SAES Group interest (50%)

Thousand of euro

Actuator Solutions GmbH	March 31, 2023	December 31, 2022
Statement of financial position	50%	50%
Non-current assets	2,961	3,017
Current assets	780	1,174
Total assets	3,741	4,191
Non-current liabilities	4,538	4,578
Current liabilities	1,205	1,473
Total liabilities	5,743	6,051
Share capital, reserves and retained earnings	(1,860)	(1,522)
Profit (loss) for the period	(142)	(338)
Other comprehensive income (expense)	0	0
Total equity	(2,002)	(1,860)

Actuator Solutions GmbH	1Q 2023	1Q 2022
Statement of profit or loss	50%	50%
Revenue	384	734
Cost of sales	(164)	(537)
Gross profit	220	197
Total operating costs	(338)	(321)
Other income (expenses)	0	(1)
Operating profit (loss)	(118)	(125)
Interests and other financial income	(26)	126
Net exchange gains (losses)	1	1
Income taxes	1	2
Profit (loss) for the period	(142)	4
Total profit (loss) for the period and other comprehensive income (expense)	(142)	4

Finally, please note that the financial receivable related to the interest accrued during the first quarter of 2023 on the interest-bearing loans granted by SAES Nitinol S.r.l. to the joint venture, equal to €39 thousand, was written down as deemed difficult to recover (the same write-down was recorded in the previous year).

Flexterra

Flexterra, Inc., based in Skokie (near Chicago, Illinois, United States), was established at the end of 2016 as a development start-up with the aim of designing, manufacturing and marketing materials and components for the construction of flexible displays. Flexterra, Inc. wholly controls Flexterra Taiwan Co., Ltd. At the beginning of 2023, SAES had its stake in Flexterra, Inc. increased from 46.84% to 47.10%, following the buyback by the company of the shares previously owned by a small individual shareholder, for a symbolic value of one dollar.

The first quarter of 2023 ended with an **operating profit** negative and equal to -€0.7 million, unchanged compared to the previous year. However, thanks to positive exchange gains, the current period ended with a **profit for the period** of -€0.8 million, an improvement compared to -€1 million in the previous year (mainly, costs for personnel employed in research activities and in general and administrative activities, legal and consultancy expenses, costs related to the management of patents and amortization of intangible assets, including intellectual property, in both years).

Thousand of euro

Flexterra	1Q 2023	1Q 2022
Statement of profit or loss	100%	100%
Revenue	0	0
Cost of sales	0	0
Gross profit	0	0
Total operating costs	(714)	(691)
Other income (expenses)	0	0
Operating profit (loss)	(714)	(691)
Interests and other financial income	(118)	(92)
Net exchange gains (losses)	49	(180)
Income taxes	9	8
Profit (loss) for the period	(774)	(955)

The share pertaining to the SAES Group in the joint venture's loss for the first quarter of 2023 would have been equal to -€0.4 million (unchanged compared to March 31, 2022), however, since SAES's investment in Flexterra

had already been completely canceled, the SAES' share of the net loss was not recognized by the Group as a liability.

Flexterra - SAES Group interest

Thousand of euro

Flexterra	March 31 2023	December 31, 2022
Statement of financial position	47.10%	46.84%
Non-current assets	4,835	5,068
Current assets	354	420
Total assets	5,189	5,488
Non-current liabilities	0	0
Current liabilities	3,272	3,158
Total liabilities	3,272	3,158
Share capital, reserves and retained earnings	2,170	3,577
Reserve for stock option plans	173	173
Profit (loss) for the period	(365)	(1,926)
Other comprehensive income (expense) (*)	(61)	506
Total equity	1,917	2,330

(*) Currency translation differences arising from the conversion in euro of the financial statements of Flexterra, Inc. and of Flexterra Taiwan Co., Ltd.

Flexterra	1Q 2023	1Q 2022
Statement of profit or loss	47.10% (**)	46.84%
Revenue	0	0
Cost of sales	0	0
Gross profit	0	0
Total operating costs	(336)	(324)
Other income (expenses)	0	0
Operating profit (loss)	(336)	(324)
Interests and other financial income	(56)	(43)
Net exchange gains (losses)	23	(84)
Income taxes	4	4
Profit (loss) for the period	(365)	(447)
Exchange differences from translation of financial statements in foreign currencies	(61)	146
Total profit (loss) for the period and other comprehensive income (expense)	(426)	(301)

(**) % ownership increased from 46.84% to 47.10% at the beginning of 2023.

Please note that the financial receivable related to the interest accrued on the convertible loans granted to the joint venture during the first quarter of 2023, equal to €96 thousand, was written down as deemed difficult to recover (a similar write-down was equal to €90 thousands in the previous year).

At the end of January 2023 SAES Getters S.p.A. paid to Flexterra the first tranche, equal to \$250 thousand, of the additional convertible loan approved on December 7, 2022. This financial receivable has already been written down with no negative impact in the income statement of the current period, as a provision for risks and charges had already been recorded as at December 31, 2022 against the SAES Group's irrevocable commitment to the loan.

The following table shows the **Group's statement of comprehensive profit (loss)**, obtained by incorporating the Group's joint ventures (Actuator Solutions GmbH - 50% and Flexterra - 47.10%) with the proportional method instead of the equity method.

Total statement of profit or loss of the Group

Thousand of euro

	1Q 2023					
	Statement of profit or loss	50% Actuator Solutions GmbH	Intragroup eliminations & other adjustments	47.10% Flexterra	Intragroup eliminations & other adjustments	Total profit or loss of the Group
Revenue	60,158	384	(76)	0		60,466
Cost of sales	(33,525)	(164)	76	0		(33,613)
Gross profit	26,633	220	0	0	0	26,853
% on revenue	44.3%					44.4%
Total operating costs	(19,750)	(338)		(336)	19	(20,405)
Net other income	98	0		0		98
Operating profit (loss)	6,981	(118)	0	(336)	19	6,546
% on revenue	11.6%					10.8%
Net financial income (expense)	1,409	(26)	20	(56)	45	1,392
Share of profit of equity-accounted investees	0					0
Net exchange gains (losses)	27	1		23		51
Pre-tax profit (loss)	8,417	(143)	20	(369)	64	7,989
Income taxes	(3,251)	1		4		(3,246)
Profit (loss) from continued operations	5,166	(142)	20	(365)	64	4,743
Profit (loss) from discontinued operations	0	0		0		0
Profit (loss) for the period	5,166	(142)	20	(365)	64	4,743
attributable to:						
- the owners of the parent	5,166					4,743
- non-controlling interests	0					0

Significant events occurred after the end of the quarter

In mid-April 2023, the **RedZone® project**, an 'on-call' acceleration program dedicated to Italian and foreign start-ups operating in the field of advanced materials, started its actual operations with the entry of the first start-up into the program. This is **Mimotype Technologies**, a German company that, inspired by luminous jellyfish, is developing a technology for the emission of light using biodegradable and biocompatible materials for OLED applications. Starting from May 2023, SAES will offer Mimotype its facilities, laboratories and know-how to enable it to accelerate its application development program.

On April 26, 2023, the Board of Directors of SAES Getters S.p.A. approved the guidelines of a single transaction comprising a Voluntary Partial Tender Offer for savings shares (**VTO**) and the mandatory conversion of savings shares into ordinary shares (**Mandatory Conversion**).

With reference to the **VTO**, SAES will acquire no. 1,364,721 savings shares (equal to about 6.2% of the share capital and to about 18.5% of savings shares) at a cash price of €29.31 per savings share (ex 2022 dividend) for a total countervalue of €40 million. Should the number of savings shares tendered to the VTO be greater than the no. 1,364,721 ones subject to the offer, the allocation will be made according to the "pro-rata" method; instead, if the number of savings shares tendered to the VTO is lower than the number of savings shares subject to the VTO, the VTO will be ineffective. Please note that that SAES has already the financial resources necessary for the completion of the tender offer.

With reference to the **Mandatory Conversion**, the Board of Directors determined to propose a conversion ratio of no. 1 ordinary share for every no. 1 savings share. The Mandatory Conversion will be carried out through the utilization of the Company's owned ordinary shares up to a total of no. 3,900,000 ordinary shares currently in the Company's portfolio, and, for the difference, through the issuance, without increasing the share capital, of a maximum of no. 2,113,898 new ordinary shares by the Company.

The **VTO** will be subject to the approval by the Ordinary Shareholders' Meeting of SAES Getters, that has been convened on May 31, 2023. On the same date, the Shareholders' Meeting convened in extraordinary session will approve the cancellation of the savings shares acquired by the Company and the mandatory conversion of

the still outstanding savings shares into ordinary shares. On the same date, the Special Meeting of Savings Shareholders will have to approve the mandatory conversion.

If the savings shareholders exercise their right of withdrawal, it will be necessary to liquidate their holdings according to the procedure provided for in Article 2437-quater of the Civil Code. The amount that the Company will have to pay to the savings shareholders who have exercised their right of withdrawal, at the end of the period provided for the option and pre-emption offer, may not exceed a total amount of €5 million, unless the Company waives this condition.

The transaction aims at improving and simplifying the capital structure of SAES Getters S.p.A., at rationalizing the financial instruments issued by the Company, at increasing the liquidity and the free float of the ordinary shares, as well as at homogenizing the rights of all shareholders.

It is expected that, subject to obtaining the necessary authorizations, the transaction may be completed during the third quarter of 2023.

On April 28, 2023 the Ordinary Shareholders' Meeting resolved to appoint Dr. **Silvia Olivotto** as **Alternate Auditor** (the name was proposed by the majority shareholder S.G.G. Holding S.p.A.) for the purpose of integrating the Board of Statutory Auditors, following the resignation submitted by the Alternate Auditor Avv. Mara Luisa Sartori effective from June 1, 2022.

On the same date, the Special Meeting of Savings Shareholders appointed Mr. **Dario Trevisan** (the name was proposed by shareholder Andreas Lechner) as the **Common Representative of Savings Shareholders** for the three-year period 2023-2025, being the mandate of the current representative, Mr. Massimiliano Perletti, in office for the three-year period 2020-2022, expired.

On April 28, 2023 the Board of Directors of SAES Getters S.p.A. resolved to subscribe a further **amendment of the convertible loan granted to the German company Rapitag GmbH** (Munich). In particular, the contractual amendment provides for the payment of two additional tranches of financing, the first of which (amounting to €200 thousand) is not subject to any milestone and is intended to finance the company's operations; the second one (amounting to €100 thousand) is subject to the achievement of specific commercial and/or financing objectives by the end of May 2023. Finally, please note that the maturity date of the loan has been extended by one year (that means until December 31, 2026) and that, at the same time, the period envisaged for the conversion of the loan into Rapitag shares by SAES is extended until April 13, 2025 (instead of July 1, 2024).

On April 30, 2023, the **revolving cash credit line signed with Intesa Sanpaolo S.p.A.** in April 2020 expired. The debt towards the Bank has been fully repaid and similar agreements may be signed in the future.

Please note that the **performance of the Group's securities portfolio** was positive and equal to approximately +0.3% during the month of April 2023.

Business outlook

We are confident that the coming months will improve, despite the possible deterioration in exchange rates.

Binding agreement for the sale of the U.S. subsidiaries Memry Corporation and SAES Smart Materials, Inc.

On January 9, 2023, the SAES Group signed a **binding agreement with the U.S. company Resonetics for the sale of the Nitinol business to the latter and, in particular, of the U.S. subsidiaries Memry Corporation and SAES Smart Materials, Inc.**

Resonetics, based in Nashua, New Hampshire, and backed by the global investment firm Carlyle and by the leading private equity firm GTCR, is a leading company in the design and production of devices for the medical and life sciences industry.

The scope of the transaction includes the entire SAES production process in the mentioned business, vertically integrated (from the Nitinol alloy melting to the component manufacturing) and entirely located in the U.S. Please note

that the Group's business in the shape memory alloys for industrial applications (SMA Materials Business, within the SAES Industrial Division) not carried out by the two U.S. subsidiaries being divested is excluded from the scope of the sale and it will continue to be managed by SAES. With this regard, a specific contract for the supply by Resonetics to SAES of the Nitinol raw material necessary for the Group to continue its industrial SMA business will be signed. In addition, please note that the Group's medical business, that uses Nitinol educated wires and Nitinol-based thermostatic actuators (already classified in the SMA Materials Business, within the SAES Industrial Division) is excluded from the scope of the sale.

The agreed consideration is equal to \$900 million (cash/debt free amount), corresponding to approximately 17 times the adjusted EBITDA related to the scope of the sale in the period October 1, 2021 - September 30, 2022. The final consideration is subject to potential adjustments, according to a calculation mechanism that is typical for this kind of transactions and that is linked to the actual values of the working capital and of the net financial position of the divested companies at the closing date.

The closing of the transaction is subject to the receipt of the usual regulatory authorizations for this type of transactions, including the authorization of the Antitrust Authorities concerned. In particular, please note that at the end of March 2023 both SAES and Resonetics received a **request for additional information from the U.S. Federal Trade Commission (FTC)**. The procedure, known as a "**Second Request**" under the Hart Scott-Rodino Antitrust Improvements Act, extends the waiting period before the parties can close the transaction until 30 days after SAES Getters and Resonetics (and certain affiliates thereof) have complied with the request of additional information. SAES Getters and Resonetics are actively cooperating with the U.S. Antitrust Authority to provide all the requested information, in order to close the transaction in 2023.

This transaction will allow SAES to benefit from a significant cash injection, which will enable the Group to develop an industrial plan based on growth, both organic and inorganic, consistent with the Group's technical and scientific expertise, with a particular focus on the areas of advanced packaging and new functional materials (chemicals), and which could be used to guarantee a return to the stakeholders as well.

The business being sold recorded revenue equal to €31.7 million, an EBITDA equal to €11.3 (35.5% as a percentage of revenue) and a profit of €7.3 million in the first quarter of 2023. The transaction concerns a total headcount of 531 employees as at March 31, 2023 (486 employees at Memry Corporation and 45 employees at SAES Smart Materials, Inc., excluding temporary workers). Net assets being divested were approximately €115.8 million as at March 31, 2023.

As the clearance from the US Antitrust Authority is still pending, it is deemed that the conditions under IFRS 5 for the classification of the divested business as a "disposal group held for sale" have not been fulfilled either as at March 31, 2023 or as of today. However, in view of the significance of the transaction, a pro-forma consolidated statement of profit (loss) for the first quarter of 2023 is set out below, showing the gains and losses related to the net assets held for sale in a single line called "Profit (loss) from discontinued operations".

Thousands of euro

	SAES Industrial			SAES High Vacuum	SAES Medical Nitinol			SEAS Chemicals	SAES Packaging	Non Allocated	Total		
	1Q 2023	Reclassification	1Q 2023 pro-forma	1Q 2023	1Q 2023	Reclassification	1Q 2023 pro-forma	1Q 2023	1Q 2023	1Q 2023	1Q 2023	Reclassification	1Q 2023 pro-forma
Revenue	18,811	(487)	18,324	6,594	31,211	(31,211)	0	1,923	1,608	11	68,158	(31,698)	28,460
Cost of sales	(9,347)	523	(8,824)	(3,671)	(17,233)	17,233	0	(1,650)	(1,558)	(58)	(33,525)	17,756	(15,769)
Gross profit	9,464	36	9,500	2,923	13,978	(13,978)	0	265	50	(47)	26,633	(13,942)	12,691
% of revenue	50.3%	-7.4%	51.8%	44.3%	44.8%	44.8%	n.a.	13.8%	3.1%	n.s.	44.3%	44.0%	44.6%
Operating expenses and other income (expenses)	(3,682)	91	(3,591)	(2,039)	(3,950)	3,950	0	(437)	(722)	(8,822)	(19,652)	4,041	(15,611)
Operating profit (loss)	5,782	127	5,909	884	10,028	(10,028)	0	(172)	(672)	(8,869)	6,981	(9,901)	(2,920)
% of revenue	30.7%	(26.1%)	32.2%	13.4%	32.1%	32.1%	n.a.	-8.9%	(41.8%)	n.a.	11.6%	31.2%	(10.2%)
Financial income											2,374	(1)	2,373
Financial expense											(804)	69	(735)
Impairment losses of financial receivables and other financial assets											(161)	0	(161)
Share of profit of equity-accounted investees											0	0	0
Net exchange gains (losses)											27	(21)	6
Pre-tax profit (loss)											8,417	(9,854)	(1,437)
Income taxes											(3,251)	2,544	(707)
Profit (loss) from continuing operations											5,166	(7,310)	(2,144)
Profit (loss) from discontinued operations											0	7,310	7,310
Profit (loss) for the period											5,166	0	5,166

To preserve the dollar proceeds expected from this transaction, on February 15, 2023, SAES Getters S.p.A. signed a contingent derivative contract with a notional value of \$415 million with a maximum €/ \$ forward

exchange rate of 1.1037 against the euro. The last possible exercise date of the derivative is expected to be January 8, 2024 (Long Stop Date). The punctual forward rate within the relevant contractual range will be determined based on the effective date of any approval by the U.S. Antitrust Authority. The derivative is subject to the favorable opinion issued by the Federal Trade Commission and, should the latter issue a negative opinion on the completion of the sale of the Nitinol business by the Long Stop Date, the derivative will expire without producing any financial effect.

It should be noted that the additional periodic financial information as at March 31, 2023 is unaudited.

Consob regulatory simplification process

Please note that, on November 13, 2012, the Board of Directors has approved, pursuant to article no. 3 of Consob resolution no.18079/2012, to adhere to the opt-out provisions as envisaged by article no.70, paragraph 8, and no. 71, paragraph 1-*bis*, of the Consob Regulation related to Issuer Companies, and it therefore avails itself of the right of making exceptions to the obligations to publish information documents required in connection with significant mergers, spin-offs and capital increases by contributions in kind, acquisitions and disposals.

The Officer Responsible for the preparation of corporate financial reports of SAES Getters S.p.A. certifies that, in accordance with the second subsection of article 154-*bis*, part IV, title III, second paragraph, section V-*bis*, of Legislative Decree February 24, 1998, no. 58, the financial information included in the present document corresponds to book of account and book-keeping entries.

The Officer Responsible for the preparation of corporate financial reports
Giulio Canale

Milan, May 12, 2023

On behalf of the Board of Directors
Dr Ing. Massimo della Porta
President