



Explanatory Statement of Mettmann Plc group activities for the period ended 30 June 2023.

Principal activities and nature of operations of the Group

The principal activities of the Group are that of interest earning activities, holding of land, equity investments, purchase, sale, lease, development and construction of real estates.

Review of current position, future developments and performance of the Group's business

The Group's development to date, financial results and position as presented in the unaudited group consolidated financial statements are in line with the Board of Directors' expectations. The Group results are presented in the unaudited group consolidated statement of profit or loss and other comprehensive income in the unaudited group consolidated financial statements for the period ended 30 June 2023, where the Group:

- a) The Group generated gross income amounted to €244,814 from its principal activity for the period ended 30 June 2023 (31 December 2022: €330,647).
- b) The Group administration expenses incurred for the period ended 30 June 2023 amounted to €318,021 (31 December 2022: €720,294).
- c) The Group total assets as at 30 June 2023 amounted to €37,116,071 (31 December 2022: € €32,405,030).

During the period ended 30 June 2023 the following main group activities took place and have been presented in the unaudited group consolidated financial statements for the period ended 30 June 2023:

- 1) The Group received dividend income of €346,615 from its associate companies; Furthermore, the Parent company Mettmann Plc received from its 100% subsidiary the dividend payment amounting to €208,604;
- 2) The Group granted loans to its related party companies amounting to €11,380,000;
- 3) The Group received repayments of its loan receivable amounting to €1,194,252 of principal and €285,038 of accrued interest;
- 4) The Group obtained financing from third-party companies amounting to total of €5,500,000;
- 5) The Group made debt repayment to its third-parties amounting to total of €1,104,992;
- 6) As regarding the changes to the group structure as at 30 June 2023, the following have occurred:
 - a) The group has purchased one new Spanish entity (35% direct holding to the parent entity Mettmann Plc);
 - b) The group has incorporated one new Spanish entity (29.17% direct holding to the parent entity Mettmann Plc);
 - c) Two existing companies of the group have been restructured within the group which resulted in the new direct holding in each entity of 29.17% by the Parent company Mettmann Plc.

Furthermore, during the post balance sheet period as from 30 June 2023 up to the date of the unaudited group consolidated financial statements sign-off, the Group received partial repayment of its credit-impaired loans amounted to €5,841,206, realizing a gain on repayment of €318,360.



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28 September 2023

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28 September 2023