QUARTERLY REPORT

Pursuant to Section 4.02(a)(ii) of the Indenture, dated November 18, 2021, governing the 5.625% Sustainability-Linked Senior Secured Notes due 2028 of
Lune Holdings S.à r.l.

For the three and nine months ended September 30, 2024

LUNE HOLDINGS S.À R.L.

2, avenue Charles de Gaulle
L-1653 Luxembourg
Grand Duchy of Luxembourg

LUNE HOLDINGS S.À R.L.

Quarterly Report

For the Three and Nine Months Ended September 30, 2024

Table of Contents

CERTAIN DEFINITIONS

Unless otherwise specified or the context requires otherwise, in this Quarterly Report:

"**Acquisition**"	refers to the acquisition of Kem One by a subsidiary of the Issuer on December 17, 2021;
"**Annual Report**"	refers to the Issuer's annual report for the fiscal year ended December 31, 2023;
"**Apollo**" or "**Sponsor**"	refers to Apollo Global Management, Inc. collectively with its subsidiaries;
"**Apollo Funds**"	refers to funds managed by affiliates of Apollo;
"**Bidco**"	refers to Lune BidCo S.A.S., a simplified limited liability company (*société par actions simplifiée*) incorporated under the laws of France;
"**C-PVC**"	refers to chlorinated polyvinyl chloride;
"**EU**"	refers to the European Union;
"**GDP**"	refers to gross domestic product;
"**GP-PVC**"	refers to general purpose PVC;
"**Group**," "**we**," "**us**" **or** "**our**"	refers to Parentco and its subsidiaries from time to time;
"**Indenture**"	refers to the indenture that governs the Notes, dated as of November 18, 2021, by, among others, the Issuer and HSBC Bank plc, as trustee, security agent, paying agent, transfer agent and registrar;
"**Issuer**"	refers to Lune Holdings S.à r.l., a company (société à responsabilité limitée) incorporated under the laws of the Grand Duchy of Luxembourg;
"**K1 Group**"	refers to K1 Group SAS and its subsidiaries on a consolidated basis;
"**Kem One**"	refers to KEM ONE S.A.S.;
"**Luxembourg GAAP**"	refers to Luxembourg generally accepted accounting principles;
"**Notes**"	refers to the Issuer's 5.625% senior secured notes due 2028;
"**Parentco**"	refers to Lune Parent Lux S.à.r.l. a company (*société à responsabilité limitée*) incorporated under the laws of the Grand Duchy of Luxembourg;
"**PVC**"	refers to polyvinyl chloride;

"**P-PVC**"	refers to paste polyvinyl chloride;
"**Quarterly Report**"	refers to this quarterly report;
"**Revolving Credit Facility**"	refers to the Revolving Credit Facility under the Revolving Credit Facility Agreement, described in more detail in "*Management's Discussion and Analysis of Financial Condition and Results of Operation*";
"**Revolving Credit Facility Agreement**"	refers to the super senior revolving credit facility agreement governing the Revolving Credit Facility;
"**Specialty PVC**"	refers to chlorinated polyvinyl chloride and paste polyvinyl chloride;
"**United States**" or the "**U.S.**"	refers to the United States of America.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this Quarterly Report are not historical facts and are “forward-looking” within the meaning of Section 27A of the Securities Act and Section 21E of the U.S. Exchange Act of 1934, as amended (the “**Exchange Act**”). These statements include, but are not limited to, statements related to our expectations regarding the performance of our business, our financial results, our liquidity and capital resources and other non-historical statements. This Quarterly Report contains certain forward-looking statements under the heading “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and in other sections where the Quarterly Report includes statements about our intentions, beliefs or current expectations regarding our future financial results, plans, liquidity, prospects, growth, strategy and profitability, as well as the general economic conditions of the industry and country in which we operate. We may from time to time make written or oral forward-looking statements in other communications. Forward-looking statements include statements concerning our plans, objectives, goals, strategies, future events, future sales or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, our competitive strengths and weaknesses, our business strategy and the trends we anticipate in the industries and the economic, political and legal environment in which we operate and other information that is not historical information.

Words such as “believe,” “anticipate,” “estimate,” “expect,” “suggest,” “target,” “intend,” “predict,” “project,” “should,” “would,” “could,” “may,” “will,” “forecast,” “plan” and similar expressions or, in each case, their negative or other variations or comparable terminology, are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved. These risks, uncertainties and other factors include, among other things, those listed under “*Risk Factors*” in our Annual Report, as well as those included elsewhere in this Quarterly Report. You should be aware that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited to the following:

- the impact of general economic and business conditions, including inflation, rising interest rates and a possible regional or global recession;
- higher than expected raw material, energy, transportation and/or logistics costs, including as a result of inflation;
- shortages of raw materials, utilities and equipment;
- our reliance on a limited number of third-party suppliers of materials for our products and third-party transportation;
- the occurrence of unexpected manufacturing interruptions and outages, including those occurring as a result of labor disruptions, strikes and production hazards;
- declines in the average selling prices in the chlorovinyls industry and the supply/demand for our products, including the impact of excess industry capacity or an imbalance in demand for our chlorovinyls products;
- the highly competitive nature of our principal industries;
- current and future environmental requirements and the related costs of complying with, and addressing liabilities under, those requirements;
- government regulations and public perceptions regarding our products and the substitutability of other products for our products;

- operational risks, including the risk of equipment failure, personal injury and environmental contamination claims;
- the adequacy of our insurance coverage;
- currency fluctuations;
- the impact of military conflicts, terrorism or other global geopolitical events on our business, industry and the markets in which we operate;
- our ability to implement our business strategies and operational initiatives;
- our ability to take advantage of growing demand for our products in emerging markets;
- adverse conditions in the credit and capital markets, which may limit our or our customers' ability to borrow or raise capital;
- downgrades to our credit ratings, which could impact our ability to access the credit and capital markets on terms acceptable to us or at all;
- volatility in the price and supply of energy;
- the impact of inflation on us and our customers and suppliers;
- our ability to maintain key customer relationships;
- potential liability under product liability and intellectual property claims;
- risks related to litigation and other proceedings;
- future pension scheme liabilities;
- misconduct, including noncompliance with regulatory standards and internal codes of conduct, by our employees;
- the enforceability of our intellectual property rights and the confidentiality of our proprietary information and trade secrets;
- our ability to keep up with technological innovations;
- risks related to cyber security;
- our ability to attract and retain key personnel;
- our ability to maintain an effective system of internal controls over financial reporting;
- risks that the interests of the Apollo Funds that control us conflict with the interests of holders of the Notes;
- the Issuer operates primarily as a holding company and has no revenue-generating operations of its own;
- our leverage and debt service obligations could adversely affect our business; and
- the other risks described under "*Risk Factors*" in our Annual Report.

The risks listed above are not exhaustive. Other sections of this Quarterly Report describe additional factors that could adversely affect our business, financial condition and results of operations. New risks emerge from time to time and it is not possible for us to predict all such risks; nor can we assess the impact of all such risks on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, you should not place undue reliance on forward-looking statements as a prediction of actual results.

We urge you to read carefully the section of this Quarterly Report entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and the section of our Annual Report entitled "*Risk Factors*" for a more detailed discussion of the factors that could affect our future performance and the markets in which we operate. In light of these risks, uncertainties and assumptions, the forward-looking events described in this Quarterly Report may not be accurate or occur at all. Accordingly, you should not place undue reliance on these forward-looking statements, which speak only as of the date on which the statements were made.

We undertake no obligation, and do not intend, to update or revise any forward-looking statement, whether as a result of new information, future events or developments or otherwise. All subsequent written and oral forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Quarterly Report.

BASIS OF PRESENTATION

Parentco is the indirect parent company of the Issuer and conducts no other business or operations other than its ownership of the equity interests of the Issuer and its other direct and indirect subsidiaries. Unless otherwise indicated or the context otherwise requires, all financial statements and financial information included in this Quarterly Report are the financial statements and financial information of Parentco and not the Issuer.

Quarterly and year-to-date results for the periods ended September 30, 2023 and 2024 are prepared in accordance with Luxembourg GAAP and represent the consolidated Parentco financial results, which include the consolidated financial results of the K1 Group.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion and analysis of the Group's results of operations and financial condition as of September 30, 2024 and for the three and nine months ended September 30, 2024 and 2023. Kem One was acquired by Bidco, which is indirectly controlled by Parentco and the Apollo Funds, on December 17, 2021. As a result of the Acquisition, Kem One is a wholly-owned, indirect subsidiary of the Issuer, which is indirectly wholly-owned by Parentco. Parentco conducts no other business or operations other than its ownership of the equity interests of the Issuer and its other direct and indirect subsidiaries.

Quarterly and year-to-date results for the periods ended September 30, 2023 and 2024 are prepared in accordance with Luxembourg GAAP and represent the consolidated Parentco financial results, which include the consolidated financial results of the K1 Group.

Except where noted, statements in the following discussion and analysis of financial condition and results of operations regarding industry outlook, our expectations regarding the performance of our business and other forward-looking statements are subject to numerous risks and uncertainties, including, but not limited to, the risks and uncertainties described in "Cautionary Note Regarding Forward-Looking Statements" in this Quarterly Report and the section entitled "Risk Factors" in our Annual Report. The Group's actual results may differ materially from those contained in or implied by any forward-looking statements. You should read the following discussion and analysis of the Group's financial condition and results of operations together with the section entitled "Basis of Presentation" and the condensed consolidated financial statements included elsewhere in this Quarterly Report. Unless the context indicates otherwise, in this section references to the "Company," the "Group," "we," "us" or "our," refer to Parentco and its subsidiaries, including the Issuer.

Overview

Kem One is a leading European chlorovinyls producer based in Lyon, France. We are the second largest producer of PVC in Europe and the largest producer of PVC in France and Italy[1], the second largest producer of C-PVC and chloromethanes in Europe, the fourth largest producer of P-PVC in Europe, and the largest producer of caustic soda in Southern Europe and the Mediterranean, each as measured by production capacity, according to IHS and our internal estimates. As of September 30, 2024, we had approximately 887 kilotons of GP-PVC and Specialty PVC resin production capacity, 750 kilotons of caustic soda production capacity, and 124 kilotons of chloromethanes production capacity. We benefit from a diversified geographical exposure with approximately 31%, 17% and 9% of our revenues for the nine months ended September 30, 2024 generated in France, Italy, and Germany respectively, with the remainder in the rest of Europe (22%) and the rest of the world (21%). In addition, we are a leading producer of low-carbon hydrogen in France, which is an area we will look to further expand as we help support the broader chemical industry's transition to a more sustainable, environmentally focused sector. We believe our back-integration into chlorine – enabling us to produce and sell both caustic soda and PVC, which act as a natural hedge to each other – provides us with differentiated stability versus non-integrated peers. Through our efficient supply chain and optimized logistics footprint, we are able to deliver our essential multi-use PVC and caustic soda products to a diverse portfolio of end-markets, customers, and geographies, with a low client concentration.

For the three months ended September 30, 2024, we had product revenues of €212 million and Pro Forma Adjusted EBITDA of €(7) million, resulting in a Pro Forma Adjusted EBITDA Margin of (3)%. For the nine months ended September 30, 2024, we had product revenues of €720 million and Pro Forma Adjusted EBITDA of €38 million, resulting in a Pro Forma Adjusted EBITDA Margin of 5.3%.

On December 17, 2021, Kem One and its subsidiaries were acquired by Bidco, a direct subsidiary of the Issuer and indirect subsidiary of Parentco. In connection with the Acquisition, the Issuer issued €450.0 million aggregate principal amount of Notes and entered into the €100.0 million Revolving Credit Facility Agreement.

[1] Based on merchant volumes; no installed capacity in Italy.

Impact of Market Uncertainties on Our Business

The economic slowdown, particularly in the European building and construction markets in which we operate, has led to reduced demand, contributing to low margins across the industry. Reduced demand has led to an excess of supply in the market, which in turn has led to increased competition. While we have been successful at maintaining our market share, these market dynamics have contributed to decreases in our Adjusted EBITDA.

In addition, recent events, including the war between Russia and Ukraine and the conflict in the Middle East, are creating additional uncertainties in the global economy. To date, the war between Russia and Ukraine and the conflict in the Middle East have not had a material impact on our operating results. We believe that, despite these market uncertainties on our business, our current cash position, projected cash flows and available lines of credit will be sufficient to meet our working capital, capital expenditure, and financing requirements.

Bridge from Reported EBITDA to Pro Forma Adjusted EBITDA

	For the three months ended September 30,		For the nine months ended September 30,	
€ in millions	**2023**	**2024**	**2023**	**2024**
Reported EBITDA	11	(7)	113	23
Non-cash items	(3)	-	(1)	3
Non-recurring items	(1)	2	1	5
Out of period items	-	-	-	-
Loss related to interest rate hedging	-	-	-	-
R&D credit income	0	0	1	0
CVAE taxes	0	0	1	0
Other	1	1	2	2
Adjusted EBITDA	8	(4)	117	34
Operational initiatives	4	(3)	11	4
Ethylene terminal pricing savings	-	-	-	-
Pro Forma Adjusted EBITDA	**12**	**(7)**	**128**	**38**

Key Business Drivers and Trends

Global economic trends: Overall demand for our products is closely aligned with GDP growth as it is exposed to a diverse set of end-markets including consumer goods, building and construction, and automotive production. Our diversification helps enhance our resilience.

Secular industry trends: Our business is also impacted by secular industry trends, including:

> *Chlorovinyls market dynamics*: Chlorovinyls market dynamics are largely driven by PVC and caustic soda pricing. Market prices for PVC and caustic soda are impacted by global supply and demand. Regional imbalances between supply and demand for PVC and caustic soda can result in shifts in trade flows between regions and the amount of imports into Europe. PVC and caustic soda pricing typically move counter to each other.
>
> *Input cost dynamics*: Our principal input cost is energy in the form of electricity and steam, which may result in price volatility from time to time, as well as ethylene pricing. We have had success historically in passing through volatility in our input costs to customers, which has historically allowed us to maintain strong margins.

Business Interruptions: Consistent with companies in our industry, from time to time we may experience certain interruptions to our business that could impact our financial results. Interruptions to our business have in the past been, and may in the future be, caused by supply chain disruptions, accidents at our facilities, labor disputes or workforce interruptions, including third-party strikes, technical difficulties, scheduled or unscheduled maintenance and other events that are out of our control and that we may not be able to predict.

In the first quarter of 2023, the Company faced significant delays related to scheduled maintenance of the Lavéra plant. The VCM plant was delayed by several days, primarily during the VCM restart phase. Although this delay did not materially increase turnaround costs beyond budget and equipment conditioning was still considered satisfactory, the delayed opening of the VCM plant led to constraints related to the Company's planned schedule (i.e., legal rules on work time and workload, as well as the complexity of the turnaround, duration and final inspection of the equipment and industrial hygiene). Due to its complexity and interconnection with other units, the delayed opening of the VCM plant negatively impacted other areas of our business (PVC and chloromethanes activities).

In the first nine months of 2024, we have not experienced any significant business interruptions.

Update on Operating Flexibility: From time to time and consistent with practices of many other chemicals companies, Kem One flexes up and down its production and supply chain based on market dynamics. In response to current low demand and low chlor-alkali spreads, in November 2023 Kem One elected to shut down diaphragm electrolysis output at the Fos chlor-alkali plant. While the Fos site has both diaphragm and membrane production capacity today, this decision was an acceleration of the previously communicated shutdown of the diaphragm electrolysis initially planned for next year as a part of the ongoing conversion of the diaphragm technology to membrane at the Fos site. Kem One plans to continue production at the Lavera chlor-alkali plant, in addition to importing EDC opportunistically to produce PVC. Assuming demand recovers, Kem One believes that it is well-positioned to supply the market through existing membrane production at Lavera and Fos, as well as through imported EDC supply given the access to the Mediterranean sea.

Key Components of Our Historical Results of Operations

Net turnover and other operating revenue

Net turnover is income generated by the sale of goods and services rendered, net of rebates, discounts, and similar allowances and net of sales tax. Revenue generated from services rendered accounted for 6.4% of total revenues for 2023, 5.2% of total revenues for the three months ended September 30, 2024, and 5.5% of total revenues for the first nine months of 2024.

For sales of goods, sales are made via individual purchase order or through supply contracts whereby a customer is required to place subsequent purchase orders to obtain goods. Many of contracts have one performance obligation, with certain contracts requiring the shipping and handling of goods as a separate performance obligation. Variable consideration related to such contracts includes payments to customers in respect of rebates and discounts, all of which have no material impact on the consolidated financial statements. Our performance obligation is satisfied at a point in time when control of the sold goods is transferred. Control is transferred when the products are delivered to customers, when customers have control over the products and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or we have objective evidence that all criteria for acceptance have been satisfied.

The rendering of services is considered to be a separate performance obligation and is recognized over time. In general, we have no service contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year, except with respect to the sale of certain Specialty PVC licenses. As a consequence, we do not adjust any of the transaction prices for the time value of money. For the periods presented in this Quarterly Report, there was no impact on the transaction price as no variable consideration is offered to customers within the service contracts.

Revenue from the provision of services is recognized in the accounting period in which the services are rendered.

Other operating revenue includes variation in stocks of finished goods and work in progress, work performed by the undertaking for its own purposes and capitalized and other operating income (primarily comprised of operating subsidies, write-backs on provisions and exchange gains on open positions with customers and suppliers).

Operating expenses

Operating expenses include costs related to raw materials and consumables, utilities, and other external expenses, staff costs, value adjustments and other operating expenses.

- Raw materials and consumables
    - Raw materials and consumables include all costs of materials purchased, cost of conversion, and other costs incurred in making goods available for sale. These costs are comprised of variable expenses and fixed production costs and are capitalized in the valuation of inventory items. Once the sale of these items is realized, the costs capitalized in the inventory items are reported as operating expenses.
    - Variable costs include the variable production costs directly related to a specific sales transaction, which include but are not limited to the cost of raw materials, auxiliary materials, gas and electricity.
    - Fixed production costs are the non-material-related cost components associated with finished products, including production costs and stock adjustment. Production costs involve all indirect and overhead expenses of the functions related to production, raw materials logistics and packaging materials, health, safety and environment, and procurement incurred during the period. Stock adjustment relates to the direct fixed cost resulting from the change in inventories, intermediates as well as finished products in order to allocate fixed production costs (including depreciation) to such products sold in the applicable period. The stock adjustment figure reflects the effect of capitalization of production cost in stocks. In general, the stock adjustment is positive when inventories are increased and negative when inventories are reduced.
- Other external expenses
    - Other external expenses include non-staff costs related to variable selling expenses, selling and distribution costs, general and administrative expenses, and research and development expenses.
    - Variable selling costs include freight costs and transport insurance premiums, import duties on exports, royalties to third parties on the basis of quantities sold or revenue amounts, and recycling costs of packaging materials. If goods are sold to a distributor and re-sold to customers, any commission granted to the distributor is deducted directly from revenue.
    - Selling and distribution costs relate to all our revenue, marketing, and logistics expenses related to finished goods which are not directly related to a specific transaction. These include all non-direct expenses associated with the sale of products, management of sales teams or customer accounts, internal support of the sales process, management of non-direct channels, development of new sales with specific customers or groups, receipt and administration of sales orders, market analysis, strategic market planning or development or advertising, logistics related to the internal inter-site transfer of finished products, or materials and warehousing.
    - General and administrative expenses include headquarter functions that are not allocated to other functions, and include finance, information management, human resources, legal group services, integrated supply chain management services, facilities management, and others.

- Research and development expenses include non-personnel costs related to research, development and innovation functions, and product safety and regulatory affairs. Research is defined as original and planned investigation undertaken with the prospect of gaining new scientific knowledge and understanding. Development costs can be capitalized as an internally generated intangible asset, if it is probable that sufficient future economic benefits will be generated by the development. All research costs are expensed immediately. If it is not possible to distinguish expenditures incurred in the research phase from expenditures in the development phase of a project, all the costs are expensed.

- Staff costs include wages and salaries, social security costs and employee profit-sharing and incentives supporting the selling and distribution, general and administrative and research and development functions.

- Value adjustments include depreciation and amortization related to tangible and intangible fixed assets (including amortization of intangible assets, such as brands and customer relationships) as well as provisions for current assets and liabilities and charges.

- Other operating expenses include exchange losses on open positions with customers and suppliers as well as irrecoverable debt expense.

Net financial income/expenses

Net financial income and expenses includes other interest and similar income as well as other interest and similar expenses. Our financing income and expenses include all earnings and costs that arise from financing our operations. The most significant portion of financing expenses is incurred relating to interest in connection with borrowing funds. Furthermore, the financing income and expenses include the impact of foreign exchange rate movements.

Financing income and expenses are recognized using the effective interest method. The increase of provisions as a result of the passage of time is recognized under “Other interest and similar income” and “Other interest and similar expenses.”

Tax on profit or loss

Tax on profit or loss includes all domestic and foreign taxes on operating income less financing charges, including non-recoverable withholding tax on dividends received from subsidiaries, R&D tax credits, taxes on equity in earnings.

The legal entities of the Group file a tax return on an independent basis. For the purpose of the consolidated financial statements, income taxes are computed and reported based on the separate return method. Under the separate return method, the carved out entity calculates its tax provision as if it was filing its own separate tax return, or in the case of consolidated tax groups, the consolidated tax group’s return, based on the pre-tax accounts included in the consolidated financial statements.

Results of Operations

The following table sets forth our consolidated results of operations for the quarterly periods indicated below. The Group's consolidated results of operations for the quarterly and nine month periods ended September 30, 2023 and 2024 were prepared in accordance with Luxembourg GAAP.

	For the three months ended September 30,		For the nine months ended September 30,	
€ in thousands	**2023**	**2024**	**2023**	**2024**
Income Statement Data:				
Net turnover	253,263	223,559	876,805	761,924
Variation in stocks of finished goods and work in progress	5,560	9,475	4,804	15,392
Work performed by the undertaking for its own purposes and capitalized	1,066	1,775	1,214	3,550
Other operating income	17,553	24,904	63,370	81,389
Raw materials and consumables and other external expenses	(236,734)	(232,553)	(716,816)	(725,484)
Staff costs	(28,524)	(30,616)	(103,198)	(100,499)
Value adjustments	(23,949)	(24,952)	(78,029)	(79,631)
Other operating expenses	(744)	(1,320)	(2,979)	(2,334)
Other interest receivable and similar income	1,207	1,197	4,111	2,947
Interest payable and similar expenses	(7,753)	(7,805)	(23,179)	(22,484)
Tax on profit or loss	4,579	(1,299)	(6,891)	(2,596)
Profit or loss after taxation	**(14,477)**	**(37,635)**	**19,212**	**(67,826)**

Three months ended September 30, 2024 compared to three months ended September 30, 2023; Nine months ended September 30, 2024 compared to nine months ended September 30, 2023

Our consolidated results of operations for the three months ended September 30, 2024 compared to the three months ended September 30, 2023 and the nine months ended September 30, 2024 compared to the nine months ended September 30, 2023 are discussed below.

Net turnover

Three months ended: Net turnover for the three months ended September 30, 2024 was €223,559k compared to €253,263k for the three months ended September 30, 2023, a decrease of €29,704k, or 11.7%. This decrease in revenue was primarily attributable to a decrease of selling prices in our products.

Nine months ended: Net turnover for the first nine months of 2024 was €761,924k compared to €876,805k for the first nine months of 2023, a decrease of €114,881k, or 13.1%. This decrease in revenue was primarily attributable to a decrease of selling prices in our products.

Net turnover by product group

€ in thousands	For the three months ended September 30 2023	For the three months ended September 30 2024	Variance %	For the nine months ended September 30, 2023	For the nine months ended September 30, 2024	Variance %
GP-PVC	107,937	95,267	(11.7)%	348,930	306,720	(12.1)%
Caustic soda and other chlorine derivatives	54,381	49,325	(9.3)%	237,708	178,245	(25.0)%
Specialty PVC	37,753	36,475	(3.4)%	122,358	118,406	(3.2)%
Chloromethanes	12,378	9,155	(26.0)%	31,743	30,100	(5.2)%
Other Product Revenue	27,372	21,718	(20.7)%	79,484	86,500	8.8%
Service Revenue	13,442	11,619	(13.6)%	56,581	41,955	(25.9)%
Net turnover	**253,263**	**223,559**	**(11.7)%**	**876,805**	**761,924**	**(13.1)%**

Three months ended: GP-PVC revenue for the three months ended September 30, 2024 was €95,267k, compared to €107,937k for the three months ended September 30, 2023, a decrease of €12,670k, or 11.7%. The decrease was primarily due to a decrease of volume sold and slightly lower selling prices.

Nine months ended: GP-PVC revenue for the first nine months of 2024 was €306,720k, compared to €348,930k for the first nine months of 2023, a decrease of €42,211k, or 12.1%. The decrease was primarily due to a decrease in selling prices, only partially offset by slightly higher volumes in sales.

Three months ended: Caustic soda and other chlorine derivatives revenue for the three months ended September 30, 2024 was €49,325k, compared to €54,381k for the three months ended September 30, 2023, a decrease of €5,056k, or 9.3%. The decrease was primarily due to slightly lower volumes in sales.

Nine months ended: Caustic soda and other chlorine derivatives revenue for the first nine months of 2024 was €178,245k, compared to €237,708k for the first nine months of 2023, a decrease of €59,463k, or 25.0%. The decrease was primarily due to a decrease in selling prices.

Three months ended: Specialty PVC revenue for the three months ended September 30, 2024 was €36,475k, compared to €37,753k for the three months ended September 30, 2023, a decrease of €1,278k, or 3.4%. The decrease was primarily due to a slight decrease in selling prices and lower volumes in sales.

Nine months ended: Specialty PVC revenue for the first nine months of 2024 was €118,406k, compared to €122,358k for the first nine months of 2023, a decrease of €3,953k, or 3.2%. The decrease was primarily due to a decrease in selling prices, only partially offset by higher volumes in sales.

Three months ended: Chloromethanes revenue for the three months ended September 30, 2024 was €9,155k, compared to €12,378k for the three months ended September 30, 2023, a decrease of €3,223k, or 26.0%. The decrease was primarily due to a decrease in selling prices, only partially offset by higher volumes in sales.

Nine months ended: Chloromethanes revenue for the first nine months of 2024 was €30,100k, compared to €31,743k for the first nine months of 2023, a decrease of €1,644k, or 5.2%. The decrease was primarily due to a decrease in selling prices, only partially offset by higher volumes in sales.

Three months ended: Service revenue for the three months ended September 30, 2024 was €11,619k, compared to €13,442k for the three months ended September 30, 2023, a decrease of €1,823k, or 13.6%. The decrease was primarily due to lower energy prices related to services recharged to other companies benefitting under our platform agreements.

Nine months ended: Service revenue for the first nine months of 2024 was €41,955k, compared to €56,581k for the first nine months of 2023, a decrease of €14,626k, or 25.9%. The decrease was primarily due to lower energy prices related to services recharged to other companies benefitting under our platform agreements.

Raw materials and consumables and other external expenses

Three months ended: Raw materials and consumables and other external expenses for the three months ended September 30, 2024 were €232,553k, compared to €236,734k for the three months ended September 30, 2023, a decrease of €4,181k, or 1.8%. This decrease was primarily due to lower prices of electricity and gas.

Nine months ended: Raw materials and consumables and other external expenses for the first nine months of 2024 were €725,484k, compared to €716,816k for the first nine months of 2023, an increase of €8,668k, or 1.2%. This increase was primarily due to larger volume of ethylene, caustic soda and raw material purchases, partially offset by lower prices of electricity and gas.

Staff costs

Three months ended: Staff costs for the three months ended September 30, 2024 were €30,616k, compared to €28,524k for the three months ended September 30, 2023, an increase of €2,092k, or 7.3%. This increase was primarily due to an increase in profit sharing.

Nine months ended: Staff costs for the first nine months of 2024 were €100,499k, compared to €103,198k for the first nine months of 2023, a decrease of €2,699k, or 2.6%. This decrease was primarily due to a decrease in profit sharing, partially offset by an increase in headcounts.

Value adjustments

Three months ended: Value adjustments for the three months ended September 30, 2024 were €24,952k, compared to €23,949k for the three months ended September 30, 2023, an increase of €1,003k, or 4.2%. This increase was primarily due to depreciations related to tangible assets.

Nine months ended: Value adjustments for the first nine months of 2024 were €79,631k, compared to €78,029k for the first nine months of 2023, an increase of €1,602k, or 2.1%. This increase was primarily due to depreciations related to tangible assets.

Other operating expenses

Three months ended: Other operating expenses for the three months ended September 30, 2024 were €1,320k, compared to €744k for the three months ended September 30, 2023, an increase of €576k, or 77.5%. This increase was primarily due to exchange losses related to trade receivables.

Nine months ended: Other operating expenses for the first nine months of 2024 were €2,334k, compared to €2,979k for the first nine months of 2023, a decrease of €645k, or 21.7%. This decrease was primarily due to lower exchange losses related to trade receivables.

Other interest receivable and similar income

Three months ended: Other interest receivable and similar income for the three months ended September 30, 2024 was €1,197k, compared to €1,207k for the three months ended September 30, 2023, a decrease of €10k, or 0.8%. This decrease was primarily due to slightly lower exchange gains.

Nine months ended: Other interest receivable and similar income for the first nine months of 2024 was €2,947k, compared to €4,111k for the first nine months of 2023, a decrease of €1,164k, or 28.3%. This decrease was primarily due to lower exchange gains.

Interest payable and similar expenses

Three months ended: Interest payable and similar expenses for the three months ended September 30, 2024 were €7,805k, compared to €7,753k for the three months ended September 30, 2023, an increase of €53k, or 0.7%. This increase was primarily due to allowances for foreign exchange risk provision, offset by fewer commitment fees related to the Revolving Credit Facility.

Nine months ended: Interest payable and similar expenses for the first nine months of 2024 were €22,484k, compared to €23,179k for the first nine months of 2023, a decrease of €696k, or 3.0%%. This decrease was primarily due to lower exchange losses.

Tax on profit or loss

Three months ended: Income tax expense for the three months ended September 30, 2024 was €1,299k, compared to €4,579k income tax benefit for the three months ended September 30, 2023, an expense increase of €5,877k, or 128.4%. This increase was primarily due to the loss before tax incurred, with no related deferred tax income.

Nine months ended: Income tax expense for the first nine months of 2024 was €2,596k, compared to €6,891k for the first nine months of 2023, a decrease of €4,295k, or 62.3%. This decrease was primarily due to the loss before tax incurred.

Financial Condition, Liquidity, and Capital Resources

Historical cash flows

The following table summarizes, for the fiscal periods indicated, selected items in our statement of cash flows:

	For the three months ended September 30,		**For the nine months ended September 30,**	
€ in thousands	**2023**	**2024**	**2023**	**2024**
Net cash from (used in):				
Operating activities	25,877	(51,996)	121,906	(13,033)
Investing activities	(32,901)	(42,458)	(94,003)	(135,262)
Financing activities	1,620	(289)	(29,452)	6,241

Operating Activities

Three months ended: Net cash used in operating activities for the three months ended September 30, 2024 was €51,996k, compared to net cash from operating activities of €25,877k for the three months ended September 30, 2023, a decrease in cash generated of €77,873k, or 301%. The decrease in cash generated was mostly due to lower trade receivables received during the period.

Nine months ended: Net cash used in operating activities for the first nine months of 2024 was €13,033k, compared to net cash from operating activities of €121,906k for the first nine months of 2023, a decrease in cash generated of €134,939k, or 111%. The decrease in cash generated was primarily due to the reduction in EBITDA resulting from prices at bottom level.

Investing Activities

Three months ended: Net cash used in investing activities for the three months ended September 30, 2024 was €42,458k, compared to net cash used in investing activities of €32,901k for the three months ended September 30, 2023, an increase in cash used of €9,557k, or 29%. The increase in cash used was primarily due to the ongoing investment in Fos-sur-Mer conversion to membrane electrolysis. Once fully running, we believe Fos-sur-Mer will decrease our electricity usage and help to drive an increase in pricing with higher quality output.

Nine months ended: Net cash used in investing activities for the first nine months of 2024 was €135,262k, compared to net cash used in investing activities of €94,003k for the first nine months of 2023, an increase in cash used of €41,259k, or 43.9%. The increase in cash used was primarily due to the ongoing investment in Fos-sur-Mer conversion to membrane electrolysis.

Financing Activities

Three months ended: Net cash used in financing activities for the three months ended September 30, 2024 was €289k, compared to net cash from financing activities of €1,620k for the three months ended September 30, 2023, an increase in cash used of €1,909k, or 118%. The increase in net cash used was due to the repayment of debt and lower investment subsidies linked to decarbonation.

Nine months ended: Net cash from financing activities for the first nine months of 2024 was €6,241k, compared to net cash used in financing activities of €29,452k for the first nine months of 2023, a decrease in cash used of €35,693k, or 121%. The decrease in cash used was primarily driven by the repayment of the portions of the Revolving Credit Facility drawn in late 2022 (€30m) and fully repaid in March 2023.

Liquidity

We anticipate that our cash flows from operations, cash on hand and availability under the Revolving Credit Facility will be sufficient to fund our liquidity requirements. From time to time, we may incur additional indebtedness to manage our liquidity or for working capital or other reasons. We will manage our global cash balances by utilizing available cash management strategies. However, our ability to service our indebtedness and to fund our other liquidity requirements will depend on our ability to generate and access cash in the future. This is subject to general economic, financial, contractual, competitive, legislative, regulatory, and other factors, some of which are beyond our control, as well as our credit ratings and the factors described in "*Cautionary Note Regarding Forward-Looking Statements*" in this Quarterly Report and the section entitled "*Risk Factors*" in our Annual Report. Such factors, including reductions in our credit ratings, may impact our ability to borrow or raise capital on terms satisfactory to us or at all.

As of September 30, 2024, we had a negative cash balance of €(10.2) million on our balance sheet due to a €14.3 million bank overdraft fee, partially offset by €4.1 million of cash. Subsequent to September 30, 2024, we drew €30 million under our Revolving Credit Facility to fund cash to our balance sheet.

We or our affiliates may from time to time seek to repurchase or retire the Notes through cash purchases, in open market purchases, privately negotiated transactions, tender offers, or otherwise. Such repurchases, if any, will depend on prevailing market conditions, our and their liquidity, contractual restrictions, and other factors. The amounts involved may be material. During the fourth quarter of 2022, we repurchased €38 million aggregate principal amount of the Notes in open market purchases. We may resell such Notes at any time based on our working capital requirements, market conditions and other factors.

Revolving Credit Facility

In November 2021, in connection with the Acquisition of Kem One, the Issuer entered into the Revolving Credit Facility Agreement, which provides for revolving borrowings up to an aggregate principal amount of €100.0 million on a committed basis, and additional uncommitted revolving facilities in a maximum aggregate (inclusive of the existing commitments) amount not to exceed the sum of (i) the greater of €100.0 million and 15% of total assets plus (ii) the greater of €50.0 million and 7.5% of total assets. Subject to certain exceptions, loans may be borrowed, repaid and re-borrowed at any time. The Revolving Credit Facility matures in 2028.

The interest rate on cash advances under the Revolving Credit Facility is the rate per annum equal to the aggregate of the applicable margin and EURIBOR, except that LIBOR applies to cash advances in US Dollars and SONIA applies to cash advances in Pound Sterling. The initial margin under the Revolving Credit Facility is 4.25%, but commencing in January 2023, it may decrease based on our secured debt ratio. A commitment fee is payable on the aggregate undrawn and uncancelled amount of the Revolving Credit Facility.

The Revolving Credit Facility Agreement contains certain of the same incurrence covenants and related definitions (with certain customary adjustments) that apply to the Notes, as well as certain affirmative and negative covenants customary for facilities of this type. Additionally, the Revolving Credit Facility contains a financial covenant providing that the Issuer shall ensure that the secured debt ratio in respect of each testing period (commencing with the quarter ending September 30, 2022) shall not exceed 5.25 to 1.00, which will not be tested unless the aggregate outstanding amount of loans under the Revolving Credit Facility Agreement (subject to certain exceptions) exceeds 40% of the greater of (x) the total Revolving Credit Facility commitments as of the closing date of the Acquisition and (y) the total Revolving Credit Facility commitments outstanding on such financial quarter. As of September 30, 2024, there were no borrowings outstanding under our Revolving Credit Facility. Subsequent to September 30, 2024, we drew €30 million under our Revolving Credit Facility.

Contingent liabilities

Our contingent liabilities primarily comprise obligations for decommissioning and restoration, guarantees of third-party obligations, including indemnification obligations under purchase and sale agreements, letters of credit, payment guarantees, down payment guarantees and performance bonds, and other similar obligations in the ordinary course of business.

Indemnifications

In the ordinary course of business, we may provide indemnifications of varying scope and terms to customers, vendors, lessors, business partners, subsidiaries, and other parties with respect to certain matters, including, but not limited to, losses arising out of our breach of agreements or representations and warranties made by us. It is not possible to determine the aggregate maximum potential loss under these indemnification agreements due to the limited history of prior indemnification claims and the unique facts and circumstances involved in each particular agreement. Such indemnification agreements may not be subject to maximum loss clauses. Historically, we have not incurred material costs as a result of obligations under these agreements and we have not accrued any liabilities related to such indemnification obligations in our historical consolidated financial statements.

Off-Balance Sheet Arrangements

We have off-balance sheet arrangements related to financial guarantees provided to the state, bank guarantees issued on behalf of third parties and trade receivables transferred to a factoring company. As of September 30, 2024, financial guarantees to the state were for an amount of €15.5 million and guarantees issued on behalf of third parties were for an amount of €2.6 million. In addition, as of September 30, 2024, we transferred €46.5 million in trade receivables to a factoring company.

Significant Accounting Policies

The preparation of financial statements in compliance with Luxembourg GAAP requires us to make judgments, estimates, and assumptions that affect amounts reported in the financial statements. The estimates and assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances and are used to judge the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. The most critical accounting policies involving a higher degree of judgment and complexity in applying principles of valuation and for which changes in the assumptions and estimates could result in significantly different results than those recorded in our financial statements. These accounting policies relate to the basis of preparation, business combination, income tax, impairment of intangible assets and property, plant and equipment, post-retirement benefits, provisions, share-based compensation, and fair values related to financial instruments. See "*Condensed Consolidated Financial Statements—Note 3—Critical Accounting Estimates.*"

Changes in Accounting Policies and Disclosures

For information about our accounting principles and policies, please see "*Consolidated Financial Statements—Note 2—Accounting principles and policies*" and "*Consolidated Financial Statements—Note 3—Critical accounting estimates*" of our consolidated financial statements for the year ended December 31, 2023.

Qualitative and Quantitative Disclosures About Market Risk

Overview

Our business and financial results are affected by fluctuations in world financial markets, including interest rates and foreign currency exchange rates. We may in the future utilize derivative financial instruments (including interest rate swap arrangements), among other methods, to hedge some of these exposures. We do not use derivative financial instruments for speculative or trading purposes.

Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will be changed because of changes in market interest rates. We are subject to changes in market interest rates in connection with our long-term debt. Our principal interest rate exposure relates to variable rate borrowings under our Revolving Credit Facility. As of September 30, 2024, there were no borrowings outstanding under our Revolving Credit Facility.

Energy and commodity price risk

We purchase significant amounts of energy to supply the utilities required in our production processes in each of our product categories. We purchase approximately 1.4 TWh of natural gas and 1.7 TWh of electricity in a given year. The markets have significantly improved in 2024 compared to 2023, following the adaptation of supply allowing us to build a significant stock ahead of the winter season. Kem One has diversified its exposure across energy commodities and sufficiently reduced its exposure, hedging its positions on the respective energy. We are exposed to price risks on raw material purchases, most significantly related to upstream petrochemical commodities including ethylene and methanol and their derivatives. We respond to this volatility in a number of ways, including by strategic raw materials purchases and through commercial and contractual pricing agreements and customer price adjustments. For our commodity raw materials, we have purchase contracts that have periodic price adjustment provisions. Commitments with certain suppliers provide up to 100% of our estimated requirements, but also provide us with the flexibility to purchase a certain portion of our needs in the spot market when it is favorable to us.

Our commodity risk is moderated through our selected use of customer contracts with selling price provisions that are indexed to publicly available indices for the relevant commodity raw materials.

Foreign Currency Risk

Due to our international operations, our results are impacted by fluctuations in foreign currency exchange rates against our reporting currency of the Euro. As a result, significant fluctuations in these currencies may have an impact on our results of operations in any particular period. When considered appropriate, we may enter into derivatives to hedge foreign currency exchange risk arising from specific transactions.

Lune Parent (Lux) S.à r.l.
and Subsidiaries

Société à responsabilité limitée

Luxembourg Trade and Companies Register: B252753

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

Table of contents

LUNE PARENT GROUP
Consolidated Balance Sheet as at September 30, 2024
€ (000)

ITEM		09/30/2024	12/31/2023
NON-CURRENT ASSETS			
FIXED ASSETS	(note 2.8)		
INTANGIBLE ASSETS			
. Concessions, patents, licences, trademarks, and similar rights and assets		353	581
. Goodwill to the extent that it was acquired for valuable consideration	(note 2.5)	97,499	114,742
TANGIBLE ASSETS			
. Land and Buildings		78,346	83,952
. Plant and machinery		275,700	317,437
. Other fixtures and fittings, tools and equipment		24,302	24,965
. Payments on account and tangible assets in the course of construction		294,814	182,650
. Advances and prepayments		1,500	
FINANCIAL ASSETS	(note 2.9)		
. Shares in affiliated undertakings		1,300	1,300
. Loans to undertakings with which the undertaking is linked by virtue of participating interests		2,240	1,690
. Other loans		1,491	1,502
TOTAL NON CURRENT ASSETS		777,546	728,819
CURRENT ASSETS			
STOCKS	(note 2.10)		
. Raw materials and consumables		60,646	56,439
. Work in progress		177	377
. Finished goods and goods for resale		97,203	84,815
PAYMENT ON ACCOUNTS			
. Becoming due and payable within one year		5,049	1,826
. Becoming due and payable after more than one year		158	158
DEBTORS	(note 2.11)		
. Trade debtors			
. Becoming due and payable within one year		90,175	88,131
. Amounts owed by affiliated undertakings			
. Becoming due and payable within one year			
. Other debtors			
. Becoming due and payable within one year		70,241	72,162
. Deferred tax assets			
INVESTMENTS			
. Other investments		29,940	29,405
CASH AT BANK AND IN HAND		4,075	136,430
PREPAYMENTS		6,683	6,080
TOTAL CURRENT ASSETS		364,349	475,824
TOTAL ASSETS		**1,141,895**	**1,204,643**

The notes in annex form an integral part of interim accounts.

LUNE PARENT GROUP
Consolidated Balance Sheet as at September 30, 2024
€ (000)

ITEM		09/30/2024	12/31/2023
CAPITAL AND RESERVES	(note 4, 4.4)		
. Subscribed capital	(note 4.1)	1,017	1,017
. Share premium account	(note 4.2)	233,903	233,903
. Legal reserve		0	0
. Other reserves, including the fair value reserve		-103	-102
. Profit or loss brought forward		130,570	163,663
. Non-controlling interest	(note 4.5)	4,949	6,001
PROFIT OR LOSS FOR THE FINANCIAL YEAR		-66,774	-33,093
. Capital investment subsidies	(note 2.14, 4.6)	21,164	14,404
TOTAL EQUITY		324,726	385,792
PROVISIONS			
. Provisions for pensions and similar obligations		18,734	18,775
. Provisions for taxation		52,363	51,450
. Other provisions		34,791	36,665
TOTAL PROVISIONS		105,888	106,891
LIABILITIES			
CREDITORS			
. Amounts owed to credit institutions			
. Becoming due and payable within one year	(note 2.13, 5.1)	16,307	6,602
. Becoming due and payable after more than one year	(note 2.13, 5.1)	2,500	4,000
Payments received on account of orders in so far as they are not shown separately as deductions from stocks			
. Becoming due and payable within one year		305	6
. Becoming due and payable after more than one year		3,569	3,569
. Trade creditors			
. Becoming due and payable within one year		151,239	149,650
. Other creditors			
. Becoming due and payable within one year		93,426	105,442
. Becoming due and payable after more than one year	(note 2.13, 5.2)	441,356	439,817
DEFERRED INCOME		2,579	2,874
TOTAL LIABILITIES		711,281	711,960
TOTAL LIABILITIES & EQUITY		**1,141,895**	**1,204,643**

The notes in annex form an integral part of interim accounts.

LUNE PARENT GROUP
Consolidated Profit and loss for Q3 2024
€ (000)

ITEM	09/30/2024	12/31/2023	Q1 2024 '€ (000)	Q2 2024 '€ (000)	Q3 2024 '€ (000)	Q1 2023 '€ (000)	Q2 2023 '€ (000)	Q3 2023 '€ (000)
Net turnover	761,924	1,103,024	273,660	264,705	223,559	330,727	292,815	253,263
Variation in stocks of finished goods and in work in progress	15,392	9,148	(2,026)	7,943	9,475	1,965	(2,721)	5,560
Work performed by the undertaking for its own purposes and capitalised	3,550	4,199	784	990	1,775	(696)	844	1,066
Other operating income	81,389	86,866	28,294	28,192	24,904	18,112	27,706	17,553
Raw materials and consumables and other external expenses	(725,484)	(950,137)	(248,959)	(243,971)	(232,553)	(250,046)	(230,035)	(236,734)
. Raw materials and consumables	(496,748)	(649,535)	(173,186)	(169,000)	(154,562)	(180,072)	(156,602)	(164,376)
. Other external expenses	(228,736)	(300,601)	(75,774)	(74,970)	(77,992)	(69,974)	(73,433)	(72,359)
Staff costs	(100,499)	(135,383)	(34,464)	(35,420)	(30,616)	(34,375)	(40,299)	(28,524)
. Wages and salaries	(67,632)	(90,169)	(22,636)	(24,048)	(20,949)	(20,862)	(24,941)	(20,657)
. Social security costs	(32,760)	(40,250)	(11,787)	(11,306)	(9,667)	(9,477)	(11,061)	(9,157)
. Other staff costs	(107)	(4,964)	(41)	(66)		(4,036)	(4,297)	1,290
Value adjustments	(79,631)	(111,930)	(26,514)	(28,165)	(24,952)	(25,389)	(28,690)	(23,949)
. In respect of formation expenses and of tangible and intangible fixed assets	(68,990)	(93,428)	(23,258)	(22,804)	(22,927)	(22,632)	(22,015)	(23,230)
. In respect of current assets and provisions	(10,642)	(18,502)	(3,256)	(5,361)	(2,025)	(2,757)	(6,676)	(718)
Other operating expenses	(2,334)	(3,772)	(525)	(489)	(1,320)	(1,181)	(1,054)	(744)
Other interest receivable and simial income	2,947	5,566	1,061	689	1,197	2,144	760	1,207
. Other interest and similar income	2,947	5,566	1,061	689	1,886	2,144	760	1,967
Interest payable and similar expenses	(22,484)	(31,799)	(7,266)	(7,413)	(7,805)	(8,453)	(6,974)	(7,753)
. Other interest and similar expenses	(22,484)	(31,799)	(7,266)	(7,413)	(15,218)	(8,453)	(6,974)	(14,726)
Tax on profit or loss	(2,596)	(9,390)	373	(1,671)	(1,299)	(7,220)	(4,250)	4,579
Profit of loss after taxation	**(67,826)**	**(33,608)**	**(15,582)**	**(14,609)**	**(37,635)**	**25,588**	**8,101**	**(14,477)**

Profit or loss after taxation attributable to:								
Sole shareholder of the company	(66,774)	(33,093)	(15,341)	(14,383)	(37,051)	25,513	8,077	(14,435)
Non-controlling interest	(1,052)	(516)	(241)	(226)	(584)	74	23	(41)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM ACCOUNTS

NOTE 1. General information

1.1 Incorporation and Formation

Lune Parent (Lux) S.à r.l. (hereafter the "Company") was incorporated on March 5, 2021 under the name of Olive SPE 3 S.à r.l., a company organised under the laws of Luxembourg as a securitization vehicle for an unlimited period and registered with the Luxembourg Register of Commerce and Companies under number B 252753.

On April 29, 2021, the sole shareholder of the Company (the “Sole Shareholder”) resolved to change the name of the Company from Olive SPE 3 S.à r.l. to AP Star Holdings (Lux) S.à r.l. to become a company organised under the laws of Luxembourg as a Société à Responsabilité Limitée. In addition, on October 12, 2021 the Sole Shareholder resolved to change the name of the Company from AP Star Holdings (Lux) S.à r.l. to Lune Parent (Lux) S.à r.l.. The registered office of the Company is established at 2, Avenue Charles de Gaulle, L-1653 Luxembourg.

The main activity of the Company is the acquisition, holding and disposal of interests in Luxembourg and/or in foreign companies and undertakings, as well as the adminitration, development and management of such interests.
The main activities of its subsidiairies consist in extracting salt to the production of chlorine, caustic soda and their derivatives, to the manufacture of PVC (polyvinyl chloride).

The Company also prepares standalone accounts, which are subject to publication as prescribed by the Luxembourg law.

1.2 Acquisition, disposition or recapitalization

No material acquisitions, dispositions or recapitalizations have occured during the period ended September 30, 2024.

1.3 Scope of consolidation

The condensed consolidated interim accounts include the Company and its subsidiaries, collectively referred as the "Group".

Parent company	Lune Parent (Lux) S.à r.l.		
		09/30/2024	**12/31/2023**
		% interest	% interest
Luxembourgish companies			
Lune GP S.à r.l. ("Lune GP")		100.00	100.00
Lune Midco Lux SCA ("Lune Midco")		98.45	98.45
Lune Holdings S.à r.l. ("Lune Holdings")		100.00	100.00
Non-Luxembourgish companies			
Lune BidCo	(France)	100.00	100.00
K1 Group SAS	(France)	100.00	100.00
KEM ONE	(France)	100.00	100.00
SCIA DE PARAPON	(France)	100.00	100.00
KEM ONE Hernani	(Spain)	100.00	100.00
KEM ONE Italia	(Italy)	100.00	100.00
KEM ONE Petrokimya	(Turkey)	100.00	100.00

The condensed consolidated interim accounts as at September 30, 2024 of the Company include its stand-alone interim accounts and those of all directly and indirectly majority owner subsidiaries (the "Group"). Subsidiaries are all entities over which the Company exercises control. Control is defined as the direct or indirect power to govern the financial and operating policies so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights owned by other entities, are considered when assessing whether the group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are no longer consolidated from the date that control ceases.

The Group and minority interests share of profits or losses or changes in the net equity of subsidiaries are determined based on existing voting rights, without considering the effects of potential voting rights which are exercisable or convertible.

1.4 Method of consolidation

All companies included in the consolidation scoped are fully consolidated. All intercompany balances and intercompany transactions have been eliminated.

NOTES TO THE CONSOLIDATED ANNUAL ACCOUNTS (CONTINUED)

NOTE 2. Accounting principles and policies

2.1 Basis of preparation

The consolidated annual accounts of the Lune Parent company are prepared in conformity with the Luxembourg legal and regulatory requirements and in accordance with generally accepted accounting principles applicable in Luxembourg. The principles guiding the preparation of the annual accounts in Luxembourg are based on legislation established within the Grand Duchy, including but not limited to, the Law of 10 August 1915 on commercial companies, the Law of 19 December 2002 on the register of commerce and companies.

2.2 Basis of consolidation

The financial statements of subsidiaries are consolidated on a line-by-line basis, starting from the date when the parent company acquires control, and are de-consolidated from the date that control ceases.

Intercompany balances and profits and losses resulting from intercompany transactions are eliminated in the consolidated financial statements.

The accounting policies were applied consistently for all Group companies.

Some subsidiaries of the Group have their assets and liabilities denominated in another currency than EUR are translated at the exchange rates ruling at the reporting date. These companies' costs and revenues are translated at the average exchange rate for the period, which approximates the exchange rates that were ruling on the dates when the individual transactions took place. Foreign exchange differences arising from the translation process are recorded directly as a separate equity item called "Translation reserve". On the disposal of a foreign entity, the accumulated exchange differences shown in the translation reserve are recognised in the statement of profit or loss. The exchange rates used for the translation of foreign currency financial statements are as follows:

- EUR/TRY: 38.27

2.3 Non-controlling interest

The share of the minority shareholders in the net equity and in the net profit for the year of the subsidiaries is shown separately in the consolidated balance sheet and consolidated profit and loss account, respectively.

2.4 Closing date of accounts

Financial year starts on January 1 and ends on December 31 of each year. This applies to all group companies.
The condensed consolidated interim financial statements of Lune Parent S.à.r.l. and Subsidiaries, have been drawn up for the period from 1st January to 30 September 2024 ("the Period").

2.5 Goodwill

The difference between the acquisition price of the shares in the group entities included in the consolidation and their respective adjusted net book value at the date of the acquisition or at the date the group entity is included in the consolidation for the first time, is recorded as goodwill in the absence of identifiable assets or liabilities where the difference could be allocated. This goodwill is amortised on a straight line basis over the time the group considers that it will benefit from it.

Positive goodwill is recorded as an intangible asset on the balance sheet; negative goodwill (or badwill) is recorded in the provisions for liabilities and charges.

The realisable value of non-current assets is tested when there are indications of impairment. They are also reviewed at the close of the year or more frequently if justified by internal or external events. Impairment tests compare the net book value of the assets to their realisable value which is based on discounted cash flow projections. If the realisable value is less than the book value, an impairment equal to the difference is recorded in the income statement. These impairments are recorded under valuation adjustments in the income statement. Exceptional depreciation or amortisation is recorded in the event of any unfavourable changes to the factors that were used to determine the depreciation or amortisation schedule. The measurement of goodwill takes into account internal reorganisations within the group.

2.6 Leases and finance leases

The assets acquired on lease are restated according to the consolidation principles and depreciated at the same pace as assets wholly owned. This also applies to assets acquired under a finance lease.

2.7 Formation expenses

The formation expenses are fully amortised during the period in which they are incurred.

2.8 Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are valued at purchase cost (purchase price and directly attributable expenses minus general acquisition expenses) or at cost of production. Borrowing costs are not included in the purchase or production cost of intangible assets and property, plant and equipment.

Research and development costs are recognised as expenses during the year they are incurred.

The costs for studies and tests relating to the registration of chemical substances as imposed by the EU REACH regulation are:

- considered to form part of an acquired operating right when the majority of tests required for the registration dossier is purchased from a third party, in which case the Group recognises this operating right as an intangible asset;
- considered to form part of an internally created operating right when the majority of required tests are performed internally and/or by a subcontractor supervised by the Group, in which case they are recorded as development costs and expensed during the fiscal year.

Acquired trademarks and know-how are recognised as intangible assets. These are not amortised if their useful lives are indefinite. Impairment tests are carried out on the value of these non-amortisable intangible assets.

Depreciation and amortisation are calculated using the straight-line method over the assets's useful life; they reduce the asset's book value. In general, the useful life of an asset is as follows:

- Intangible assets	Useful life
- Buildings	20 years
- Building fixture and fittings	10 years
- Complex facilities	10-30 years
- Industrial plant and tools	4-10 years

These depreciation and amortisation periods may change if the Group believes the original useful life of the asset is no longer suitable given the external or internal circumstances. These changes are recognised in the accounts prospectively.

The residual value of an asset at the end of the useful life is always zero.

The realisable value of intangible assets and property, plant and equipment is tested when there are indications of impairment and reviewed at the close of the year or more frequently if justified by internal or external events. Impairment tests compare the net book value of the assets to their realisable value which is based on discounted cash flow projections. If the realisable value is less than the book value, an impairment equal to the difference is recorded in the income statement. These impairments are recorded under Value Adjustments in the income statement.

The group recorded a provision on its balance sheet for the remediation of the salt extraction wells with a contra entry which is an asset. When excavating the wells, deterioration of the shafts is immediate and not gradual during salt extraction; therefore, decommissioning costs have been added to the related asset and will be depreciated during the useful life of the shaft. Previous accounting methods have been deemed to have a marginal impact on the group accounts.

2.9 Financial assets and Investments

2.9.a Financial assets

Financial assets such as shares in affiliated undertakings, participating interests, loan to these undertakings and other loans are valued at their historical acquisition cost, including the incidental costs of acquisition.

If the Management determines that a durable impairment has occurred in the value of a financial asset, a value adjustment is made in order to reflect that loss. These value adjustments are not continued if the reasons for which they were made have ceased to apply.

The trust created by the settlor (Arkema) and the Caisse des Dépôts et Consignations (the trustee) was set up to compensate employees who were exposed to asbestos during their working life. The trust is extinguished upon one of the following two occurrences: exhaustion of funds in the account or 31 December 2030.

2.9.b Investments

Investments may include transferable securities, as well as other investments in shares and other securities equivalent to shares and in bonds or other forms of securitised debts.

Transterable securities and other investments are valued at the lower of cost, including expenses incidental thereto and calculated on the basis of weighted average prices/the FIFO method/the LIFO method (or a method reflecting generally accepted best practices - to be disclosed), or market value. A value adjustment is recorded where the market value is lower than the cost of purchase. These value adjustments are reversed if the reasons for which the value adjustments were made have ceased to apply.

2.9.b Investments (continued)

The market value corresponds to:
• the last available quoted price in an active market for quoted securities;
• the fair value estimated with due care and in good faith by the Board of Managers based on market and business assumptions.

2.10 Stocks

The raw materials, bought-in goods and supplies held in inventory are recorded at purchase price plus directly attributable costs.

Finished products are recorded at the cost of production including consumables and the direct and indirect production expenses. Idle capacity costs are excluded from the value of inventory.

All inventory items are measured using the weighted average cost method.

Inventory impairment is recognised when its value, as determined by the methods above, is less than its realisable value. The following elements are considered to determine the realisable value: expiration, quality defect, lowered sale price, turnover rate, etc.

2.11 Debtors

Debtors are recorded at their nominal value. A value adjustment is made when their recovery is partly or completely in doubt. These value adjustments are not continued if the reasons for which they were made have ceased to apply.

Receivables in other currencies are converted in Euros at the exchange rate prevailing at the balance sheet date.

2.12 Foreign currency translation

The Group maintains its books and records in Euro (“EUR”).

All transactions expressed in currency other than EUR are translated into EUR at the exchange rate prevailing at the date of the transaction.

The fixed assets expressed in another currency than EUR are translated in EUR at the exchange rate prevailing at the date of their acquisition. At the balance sheet date, these fixed assets are maintained at their historical exchange rate.

Cash at bank and in hand is translated at the exchange rate prevailing at the balance sheet date. Exchange gains and losses resulting from this conversion are accounted for in the profit and loss account for the fiscal year.

Other assets and liabilities are translated separately respectively at the lower (assets) or at the higher (liabilities) of the value converted at the historical exchange rate or the value determined on the basis of the exchange rates effective at the balance sheet date. The unrealised exchange losses are recorded in the profit and loss account. The realised exchange gains and losses are recorded in the profit and loss account at the moment of their realisation.

In the case there is an economic link between an asset and a liability, they are translated in total and only the unrealised net exchange losses are accounted for in the profit and loss account.

2.13 Creditors

Creditors are recorded at their repayment value.

When the amount repayable on account is greater than the amount received, the difference will be netted off and will be written off over the period of the debt

All costs related to the issuance of the Notes (as defined hereinafter) are capitalized and will be amortized over the course of the existence of the Notes and the amortization will be recorded under the Profit and Loss account, under item "interest and other expenses".

2.14 Investment subsidies

Subsidies received for investments in fixed assets are recorded under "Capital investment subsidies". They are recognised in the Profit and Loss account on a systematic basis over the amortisation period of the related investments.

2.15 Provisions for liabilities and charges

A provision is recorded when:
- the Group has a legal, regulatory or contractual obligation in favour of a third party as a result of past events. It may also result from the Group's principles or public commitments creating a legitimate expectation among third parties that the Group will take on certain responsibilities;
- It will definitely or probably cause an outflow of resources in favour of these third parties;
- the amount can be reliably estimated and matches the best possible estimate of the commitment.

In those exceptional situations where the amount of the obligation cannot be reliably estimated, the liability must be the subject of a note to the annual accounts.

Where the Group expects to obtain a partial or full reimbursement of an expense that was the subject of a provision, the expected reimbursement is recorded as a receivable if, and only if, the Group is almost certain of collecting it.

Long-term provisions, excluding provisions for pensions and similar obligations to staff, are neither indexed to inflation nor discounted if the net effect of these impacts is immaterial.

In this context, the Group has defined account recognition and measurement procedures specifically for certain categories of provisions:

a) Provisions for environmental protection

These provisions are established following decisions by local authorities or similar (Regional Environmental Agency, Regional Council, etc.).
The specialised departments of the Group or of external companies estimate the expenses to be set aside and draw up a timeline.

Generally, the projects covered by these provisions should be carried out within the medium term (equal to or less than four years). For longer-term projects or those with a schedule spread over several years, the expenses are not discounted to present value so far as this effect is set off by the expected increase in expenses due to the rise in construction costs.

In general, chemical factories are designed and operated on an indefinite basis; accordingly, no rehabilitation obligation at the end of the site's life can be determined.
The only identifiable liability in this case relates to the Group facilities located on land belonging to third parties, including those on publicly owned coastal land. These third parties could require the site to be reverted to its original state at the end of the occupancy. It is highly unlikely that any occupancy would not be renewed.

b) Provisions for restructuring and cessation of business

These provisions are established on initial notification to an entity's Economic and Social Committee or a Central Economic and Social Committee. They cover the employee-related costs that are estimated from the employment protection plans, the staff costs between the judgement date and departure of staff, demolition and decontamination costs and other miscellaneous expenses (local support measures, etc.).

c) Provisions for staff long-term benefits

The Group has granted long-term benefits (retirement payments, employment awards and length-of-service bonuses, healthcare costs and insurance) to certain employees.

The amount set aside represents the actuarial valuation of the rights acquired by the beneficiaries at the year end. The valuation of the commitments, using the projected unit credit method, primarily involves:
- a financial discount rate, as determined by the length of the commitments. The rate at the year end was 3.5% except for the employment award and length-of-service bonuses scheme (3.4%);
- an assumption on the date of retirement;
- an inflation rate;
- assumptions on salary increases, staff turnover rates and health expenditure increases.

The actuarial gains and losses are recorded in the consolidated Profit and loss account.
The actuarial gains and losses are recorded in net financial income/expense for the financial actuarial assumptions impact, in the operating profit (loss) for the demographic assumptions impact and for the other gains and losses.

2.16 Net turnover

Net turnover is booked when there has been a transfer of a product's benefits and risks, as stated under the terms of a sales contract, to the purchaser. Returns, refunds, discounts and volume-based rebates are deducted from revenue.

2.17 Other financial expenses

Interest income and interest charges are accrued on a timely basis, by reference to the principal outstanding and at the nominal interest rate applicable.
Foreign exchange gains and losses on commercial receivables and payables and foreign exchange gains and losses relating to the translation of currencies into euro must be recorded in Financial Income/Expenses under Other interest and similar income/expenses.

2.18 Taxes

The Company is subject in Luxembourg to the applicable general tax regulations. The subsidiaries are subject to applicable tax regulations in their local jurisdiction of incorporation.

The Group retains all its tax losses carried forward that were previously recorded as part of the tax consolidation, in accordance with regulations.

Differences between taxable profits and restated accounting profits occur due to restatements to harmonise the annual accounts of consolidated companies with the group's accounting principles and also timing differences in recording taxes. These differences are recorded as deferred tax according to the liability method and using the tax rate voted at the close of the accounts.

Deferred tax has been determined on the basis of a tax schedule taking into account future changes to the tax rate.

As part of the restructuring plan of KEM ONE, the primary creditors entered into agreements waiving debts dating prior to the court-supervised administration. These agreements were confirmed by agreements transferring the debts to K1 GROUP SAS for the nominal consideration of €1. The total debt transferred was €158 million. After two incorporations into the shareholders' net equity, the remaining debt has been added to the net equity for the assumption of its fair value. This approach was still the same for K1 Group SAS consolidation purpose, before the acquisition of K1 Group SAS ' shares by Lune BidCo. The remaining debits accounts for a sum of €68,411,161 except corporation taxes which have been taken into consideration.

As of January 1st, 2022, Lune BidCo SAS (the "BidCo") has created a fiscal integration group that incorporates the BidCo and its french subsidiaries, which are subject to corporate income tax in France.

NOTE 3. Critical accounting estimates

The preparation of the consolidated annual accounts and the application of the accounting policies and methods described in Note 2 require critical accounting estimates that involve judgements and the use of assumptions. By their nature, the assessments necessary for drawing up the consolidated annual accounts require the formulation of hypotheses and carry risks and uncertainties as to their occurence in the future.
Although the Board of Managers believes that it has taken all available information into accounts in determining these judgements and estimates, the actual future profits and losses from the operations concerned could differ from the estimates and therefore have a material impact on the consolidated annual accounts.

NOTES TO THE CONSOLIDATED ANNUAL ACCOUNTS (CONTINUED)

Note 4 Capital and reserves

Note 4.1 Subscribed capital

On September 30, 2024, pursuant to a free shares plan, the below shares were granted but not yet issued (the “Free Shares”):
-4,383 class A ordinary
-83,269 preferred A shares;
-5,475 preferred B shares;
-6,800 preferred C shares.
The Free Shares will be issued at the end of the acquisition period as defined in article 7 of the free shares plan.

As at September 30, 2024, the subscribed capital, amounting to EUR 1,016,546.00, is represented by 1,016,546 shares, having a nominal value of EUR 1.00 each, fully paid up and divided into 10 classes of shares as follows:

-16,546 ordinary shares;
-111,111 class A shares;
-111,111 class B shares;
-111,111 class C shares;
-111,111 class D shares;
-111,111 class E shares;
-111,111 class F shares;
-111,111 class G shares;
-111,111 class H shares;
-111,112 class I shares.

Note 4.2 Share premium account

As at September 30, 2024, the balance of the share premium accounts amounts to EUR 233,903 k.

Note 4.3 Legal reserve

In accordance with Luxembourg company law, the Company is required to transfer a minimum of 5% of its net profit for each financial year to a legal reserve. This requirement ceases to be necessary once the balance on the legal reserve reaches 10% of the issued share capital. The legal reserve is not available for distribution to the shareholders.

Note 4.4 Movement for the year of capital and reserve

The movements on the reserves and profit and loss accounts during the period are as follows:

€ (000)	Subscribed capital	Share premium reserves	Foreign currency translation reserve	Results brought forward	Results for the fiscal year (Group)	**Attributable to the shareholders of Parent Company**	Movement in Non-controlling interests
As at January 1, 2024	**1,017**	**233,903**	**-102**	**163,663**	**-33,093**	**365,388**	**6,001**
Movement for the year	**-**	**-**	**-1**	**-33,093**	**-33,682**	**-66,776**	**-1,052**
- Allocation of previous year's profit or loss	-	-		-33,093	33,093	**-**	-
- Repayment	-		-	-	-	**-**	-
- Profit or loss for the year	-	-	-	-	-66,774	**-66,774**	-1,052
- other movements	-	-	-1			**-1**	0
As at September 30, 2024	**1,017**	**233,903**	**-103**	**130,570**	**-66,774**	**298,612**	**4,949**

Note 4.5 Non-controlling interest

Following the issuance of shares to the benefit of third parties during the year 2023, a portion of non-controlling interest has been calcultated on the net consolidated result of the current year, and on the net equity as of closing date, excepted the net result owned by the parent company.

NOTES TO THE CONSOLIDATED ANNUAL ACCOUNTS (CONTINUED)

Note 4.6 Capital investment subsidies

This item is composed of :

	09/30/2024	12/31/2023
	€ (000)	**€ (000)**
- investment subsidies	21,164	14,404
Total	**21,164**	**14,404**

The movements on the Capital investment subsidies are as follows:

	09/30/2024	12/31/2023
	€ (000)	**€ (000)**
Beginning of the year	**14,404**	**13,449**
Additions	7,626	2,348
Amortization	-865	-1,393
End of the year	**21,164**	**14,404**

Note 5 Creditors

Note 5.1 Amounts owed to credit institutions

On November 18, 2021, the Group entered into a super senior revolving facilities agreement with financial institutions (the "Lenders") of a multicurrency revolving credit facility amounting to EUR 100,000,000.00 ("Revolving Facilities")
In 2022 the group made drawdowns under the super senior revolving facilities agreement for a total amount of EUR 30m which were later repaid in 2023.

The Amounts owed to credit institutions includes a €5 million (€10 million for its nominal value) secured from the Public Investment Bank (BPI). This loan corresponds to the funding for major strategic and pivotal projects (BPI).

These loans can be split as follows:	09/30/2024	12/31/2023
	€ (000)	**€ (000)**
Becoming due and payable within one year	16,307	6,602
Becoming due and payable after more than one year	2,500	4,000

Note 5.2 Other creditors becoming due and payable after more than one year

	09/30/2024	12/31/2023
	€ (000)	**€ (000)**
Other creditors	441,356	439,817

- On November 18, 2021, the Group issued sustainability-linked senior secured notes in the aggregate principal amount of EUR 450,000,000.00 bearing interest at 5.625% per annum and payable semi-annually on May 15 and November 15 of each year with a maturity of 6.5 years. The reimbursment is planned on November 15, 2028;

This item includes Notes issued during the period and is netted off with capitalized expenses in relation to the issuance of these Notes for an amount of EUR 9,157 k (2023: 10,183 k), the "transaction fees". The transaction fees will be amortized over the existence of the Notes. An amortization of EUR 1,026 k has been recognized into the profit and loss (EUR 2,051 k in 2023).

NOTES TO THE CONSOLIDATED ANNUAL ACCOUNTS (CONTINUED)

Note 6 Consolidated statement of cash flows

The consolidated statement of cash flows appearing in the annual accounts is an indirect presentation of cash flows starting from the net income of consolidated companies.

Total cash held by the group is equal to cash and cash equivalents available less any credit balances with banks and related accrued interest not yet due.

CONSOLIDATED CASH FLOW STATEMENT

ITEM	09/30/2024 '€ (000)	12/31/2023 '€ (000)	Q1 2024 '€ (000)	Q2 2024 '€ (000)	Q3 2024 '€ (000)	Q1 2023 '€ (000)	Q2 2023 '€ (000)	Q3 2023 '€ (000)
NET INCOME	(67,826)	(33,608)	(15,582)	(14,609)	(37,635)	25,588	8,101	(14,477)
. Adjustments:								
. Non-current assets: D&A	68,124	92,035	22,970	22,612	22,543	22,212	21,726	22,942
. Non-current assets: allocations to provisions	1,539	2,051	513	513	513	513	513	513
. Tax income and expenses	2,596	10,272	(373)	1,945	1,024	7,586	4,574	(4,449)
. Financial income and expenses on debt	17,410	23,488	5,888	5,720	5,802	6,064	5,870	5,744
EBITDA	**21,843**	**94,238**	**13,415**	**16,181**	**(7,753)**	**61,963**	**40,783**	**10,273**
. Allocations net of write-backs to provisions for liabilities and charge	(1,916)	(5,118)	(731)	(792)	(393)	(1,939)	(1,231)	(2,425)
. Adjustments to specific items	3,249	1,813	(14)	2,630	633	(2,714)	3,875	(3,019)
. Working capital requirements:								
. Change in inventory	(19,460)	(18,738)	1,950	(15,385)	(6,025)	(1,159)	(3,799)	(3,881)
. Change in trade receivables	(6,276)	73,300	(35,135)	22,236	6,622	7,213	12,798	35,886
. Change in trade payables	(1,059)	35,171	21,745	(17,734)	(5,070)	37,047	(23,698)	8,008
. Change in other working capital req.	(16,117)	(26,384)	(19,130)	41,079	(38,066)	7,365	(19,302)	(15,648)
Net cash from (used in) operations	**(19,736)**	**154,282**	**(17,900)**	**48,215**	**(50,051)**	**107,776**	**9,425**	**29,195**
. Income tax	17,785	(12,565)	(8)	20,264	(2,471)	(400)	(8,559)	(3,308)
. Financial income and expenses on debt	(11,083)	(25,049)	(97)	(11,511)	526	(611)	(11,603)	(10)
Net cash from (used in) operating activities	**(13,033)**	**116,667**	**(18,005)**	**56,967**	**(51,996)**	**106,766**	**(10,737)**	**25,877**
. Intangible and tangible assets	(117,174)	(151,018)	(26,202)	(46,076)	(44,896)	(16,266)	(25,141)	(31,510)
. Change in fixed asset payables	(17,013)	13,538	(20,706)	723	2,970	(19,084)	(358)	(1,387)
. Proceeds from asset sales	-		-	-	-	-		
. Increase in long-term loans	(551)	(277)	(603)	50	2	(4)	(249)	(4)
. Repayment in long-term loans	10	164	0	9	1	-		
. Increase in investments	(534)		-	(534)	-			
						-		
Net cash from (used in) investing activities	**(135,262)**	**(137,593)**	**(47,510)**	**(45,294)**	**(42,458)**	**(35,354)**	**(25,748)**	**(32,901)**
. Issuance (repayment) of shares and other equity	-	390	-	-	-	90		
. Change in current accounts	-		-	-	-	0	(0)	-
. Debt issuance	175		-	30	145	-		
. Repayment of debt	(1,560)	(1,560)	(529)	(471)	(560)	(30,816)	(746)	400
. Investment subsidies	7,626	2,347	7,500	-	126	400	(0)	1,220
Net cash from (used in) financing activities	**6,241**	**(28,978)**	**6,971**	**(441)**	**(289)**	**(30,326)**	**(746)**	**1,620**
Net increase/decrease in cash and cash equivalents	**(142,054)**	**(49,904)**	**(58,543)**	**11,232**	**(94,743)**	**41,086**	**(37,231)**	**(5,403)**
. Effect of exchange rates	(4)	(34)	(3)	2	(3)			
. Cash and cash equivalents at the beginning of the period	131,828	181,767	131,828	73,282	84,516	181,767	222,853	185,622
Cash and cash equivalents at end of period	**(10,230)**	**131,828**	**73,282**	**84,516**	**(10,230)**	**222,853**	**185,622**	**180,219**

Note 7 Subsequent events

No material subsequent events took place after the closing date.

Income Statement Bridge to Issuer - Q3'24

€ in thousands	Consolidated Group Lune	Lune Parent	Lune Midco	Issuer
	For the six months ended September 30, 2024			
	(A)	(B)	(C)	(A - B - C)
Sales of own Goods	719,969	-	-	719,969
Sales of own Services	41,955	-	-	41,955
Net turnover	**761,924**	**-**	**-**	**761,924**
Variation in stocks of finished goods and work in progress	15,392	-	-	15,392
Work performed by the undertaking for its own purposes and capitalised	3,550	-	-	3,550
Other operating income	81,389	-	-	81,389
Operating Revenue	**862,255**	**-**	**-**	**862,255**
Raw materials and consumables	(496,748)	-	-	(496,748)
Other external expenses	(228,736)	(86)	(2,247)	(226,403)
Wages and salaries	(67,632)	-	(42)	(67,590)
Social security costs	(32,760)	-	-	(32,760)
Other staff costs	(107)	-	-	(107)
In respect of formation expenses and tangible and intangible fixed assets	(68,990)	-	-	(68,990)
In respect of current assets and provisions	(10,642)	-	-	(10,642)
Value adjustments	(79,631)	-	-	(79,631)
Other operating expenses	(2,334)	-	-	(2,334)
Operating Expenses	**(907,948)**	**(86)**	**(2,289)**	**(905,572)**
Operating Profit (Loss)	**(45,693)**	**(86)**	**(2,289)**	**(43,318)**
From Equity Investments	-	-	-	-
From Other Marketable Securities and LongTerm Loans	-	-	-	-
Other Interest and Similar Income	1,603	-	-	1,603
WriteBack On Provisions and Expense Transfers	476	-	-	476
foreign Exchange Gains	868	-	-	868
Net Proceeds From Disposal of Marketable Securities	-	-	-	-
Other interest receivable and similar income	2,947	-	-	2,947
Allocations To Amortisation and Provisions	(1,796)	-	-	(1,796)
Interest and Similar Expenses	(19,908)	-	-	(19,908)
foreign Exchange Losses	(780)	(3)	(4)	(773)
Net Expense On Disposal of Marketable Securities	-	-	-	-
Interest payable and similar expenses	(22,484)	(3)	(4)	(22,477)
Net Financial Income/Expense	**(19,537)**	**(3)**	**(4)**	**(19,530)**
Tax on profit or loss	(2,596)	(21)	-	(2,576)
Profit or loss after taxation	**(67,826)**	**(110)**	**(2,293)**	**(65,423)**

Source:Quarterly financials

Balance Sheet Bridge to Issuer (@ Sep'24)

€ in thousands	(A) Consolidated Group Lune	(B) Lune Parent	(C) Lune Midco	(D) Intercompany eliminations	(A - B - C - D) Issuer
Research and Development Costs	-	-	-	-	-
Concessions, Patents, Licences, Trademarks,	353	-	-	-	353
Processes, Rights and Other	-	-	-	-	-
Goodwill	97,499	-	-	-	97,499
Other	-	-	-	-	-
Intangible Assets In Progress	-	-	-	-	-
Intangible Assets	97,852	-	-	-	97,852
Land	-	-	-	-	-
Buildings	78,346	-	-	-	78,346
Technical Facilities, Plant & Industrial tools	275,700	-	-	-	275,700
Other	24,302	-	-	-	24,302
Pp&E Under Construction	294,814	-	-	-	294,814
Advances and Prepayments	1,500	-	-	-	1,500
Tangible Assets	674,662	-	-	-	674,662
Equity Investments	1,300	234,475	218,888	(453,363)	1,300
Loans to Equity Investments	-	-	-	-	-
Other Securities	-	-	-	-	-
Loans	2,240	-	-	-	2,240
Others	1,491	-	-	-	1,491
Financial Assets	5,032	234,475	218,888	(453,363)	5,032
Non Current Assets	**777,546**	**234,475**	**218,888**	**(453,363)**	**777,546**
Raw Materials and Other Supplies	60,646	-	-	-	60,646
Goods In Progress	177	-	-	-	177
Services In Progress	-	-	-	-	-
Intermediate and Finished Goods	97,203	-	-	-	97,203
Bought-In Goods	-	-	-	-	-
Stocks	158,027	-	-	-	158,027
Payment on accounts	5,206	-	-	-	5,206
Becoming Due and Payable Within One Year	90,175	109	-	(125)	90,192
Becoming Due and Payable After More Than One Year	-	-	-	-	-
Other	-	-	-	-	-
Trade debtors	90,175	109	-	(125)	90,192
Becoming Due and Payable Within One Year	-	102	50	(443)	291
Becoming Due and Payable After More Than One Year	-	-	-	-	-
Amounts owed by affiliated undertakings	-	102	50	(443)	291
Becoming Due and Payable Within One Year	70,241	35	-		70,207
Becoming Due and Payable After More Than One Year	-	-	-	-	-
Other debtors	70,241	35	-	-	70,207
Deferred Tax Assets	-	-	-	-	-
Marketable Securities	29,940	-	-	-	29,940
Cash at bank and in hand	4,075	23	355	-	3,698
Prepayments	6,683	-	572	-	6,112
Current Assets	**364,349**	**268**	**977**	**(568)**	**363,671**
Deferred Expenses Over Several	-	-	-	-	-

Balance Sheet Bridge to Issuer (@ Sep'24)

€ in thousands	(A) Consolidated Group Lune	(B) Lune Parent	(C) Lune Midco	(D) Intercompany eliminations	(A - B - C - D) Issuer
Years	-	-	-	-	-
Bond Redemption	-	-	-	-	-
Premiums	-	-	-	-	-
Expenses to Be Spread Over Several Years	-	-	-	-	-
Unrealised foreign Exchange Losses	-	-	-	-	-
Total Assets	**1,141,895**				**1,141,218**
Provisions for pensions and similar obligations	18,734	-	-	-	18,734
Provisions for taxation	52,363	-	-	-	52,363
Other provisions	34,791	-	-	-	34,791
Provisions	**105,888**	**-**	**-**	**-**	**105,888**
Becoming Due And Payable Within One Year	16,307	-	-	-	16,307
Becoming Due And Payable After More Than One Year	2,500	-	-	-	2,500
Amounts owed to credit institutions	18,807	-	-	-	18,807
Becoming Due And Payable Within One Year	-			-	-
Becoming Due And Payable After More Than One Year	-	-	-	-	-
Group And Partners	-	-	-	-	-
Becoming Due And Payable Within One Year	-	-	-	-	-
Becoming Due And Payable After More Than One Year	-	-	-	-	-
Miscellaneous Borrowings And Financial Debts	-	-	-	-	-
Creditors	**18,807**	**-**	**-**	**-**	**18,807**
Becoming Due And Payable Within One Year	305	-	-	-	305
Becoming Due And Payable After More Than One Year	3,569	-	-	-	3,569
Advances & Payments On Account On Orders In Progress	3,874	-	-	-	3,874
Becoming Due And Payable Within One Year	151,239	115	2,390	(125)	148,859
Becoming Due And Payable After More Than One Year	-	-	-	-	-
Trade creditors	151,239	115	2,390	(125)	148,859
Becoming Due And Payable Within One Year	93,426	494	105	(443)	93,269
Becoming Due And Payable After More Than One Year	441,356	-	-	-	441,356
Other creditors	534,782	494	105	(443)	534,625
Current Liabilities	**686,020**	**609**	**2,495**	**(568)**	**683,484**
Liabilities On Non-Current Assets And Related Accounts	-	-	-	-	-
Becoming Due And Payable Within One Year	-	-	-	-	-
Becoming Due And Payable After More Than One Year	-	-	-	-	-
Other	-	-	-	-	-
Deferred Tax Liabilities	-	-	-	-	-
Miscellaneous Liabilities	**-**	**-**	**-**	**-**	**-**
Deferred Income	2,579	-	-	-	2,579
Unrealised Foreign Exchange Gains	-	-	-	-	-
Liabilities	**817,169**	**609**	**2,495**	**(568)**	**814,633**
Total Equity	**324,726**	**234,133**	**217,370**	**(453,363)**	**326,585**
Total Liabilities & Equity	**1,141,895**	**234,743**	**219,865**	**(453,930)**	**1,141,217**

Source:Quarterly financials