

**H1 2023 RESULTS**

**VOLUMES SOLD MAINTAINED  
IN THE USA AND ASIA**

**SLOWDOWN IN EMEA FOR  
THE FIBERS MARKET**

**ACHIEVEMENT OF PRODUCTION TARGETS OF THE ENGINEERING PLASTICS  
PROJECT BY YEAR-END**

**TEMPORARY DECLINE IN MARGINS IN THE 2023 REPORTING PERIOD  
DUE TO THE HIGH UNIT VALUE OF THE INVENTORIES STOCKED IN 2022  
COMPARED TO THE CURRENT MARKET VALUE OF RAW MATERIALS**

**DEBT CUTTING MEASURES CONTINUED**

**MAIN INDICATORS AT JUNE 30, 2023:**

- **Revenues: €311.1 million, -11.4% compared to €351.0 million for the same period of 2022**
- **EBITDA: €31.3 million, -39.2% compared to €51.5 million for the same period of 2022**
- **Net Result: -€4.1 million loss, -123.4% compared to a €17.7 million profit for the same period of 2022;**
- **NFP/LTM EBITDA ratio at x3.48 at June 30, 2023 compared to x2.69 at December 31, 2022.**

**Arco, August 31, 2023** — The Board of Directors of Aquafil S.p.A. [ECNL:IM] [ECNLF:OTCQX], chaired by Prof. Chiara Mio, met today and approved the Company's consolidated operating and financial results at June 30, 2023:

**Giulio Bonazzi, Chief Executive Officer, stated:**

"The first half of the year was marked by extreme volatility. As already announced in the first quarter and at the beginning of August, the context of reference was more challenging than expected.

In EMEA, there was a considerable slowdown of the end market, with an ensuing impact on the Group's volumes sold. Moreover, the high unit value of inventories stocked in the previous year, coupled with the strong reduction in raw material prices, led to a temporary, yet significant decline in margins.

In the United States and in Asia Pacific, demand generated satisfactory results, confirming the previous year's levels, despite the slight decrease in the US textile fibers sector.

The Engineering Plastics project progressed well and is expected to reach the targets set by the end of the year, with excellent growth potential for the future.

Important results were also achieved by regenerated and ECONYL® branded products. Volumes sold remained essentially in line with the first half of 2022, confirming their strong resilience.

The debt cutting measures continued to be an important objective that the Group keeps pursuing through actions aimed at rationalizing working capital and investments thanks to the conclusion of the cycle launched in prior years.

With regard to the second half of the year, Asia and the United States are expected to confirm a substantially stable market demand. In EMEA, the market of fibers for garments remains slow, with an expected recovery of volumes sold for fibers for carpets and polymers.”

## **Operating results at June 30, 2023**

### **Revenues<sup>1</sup>**

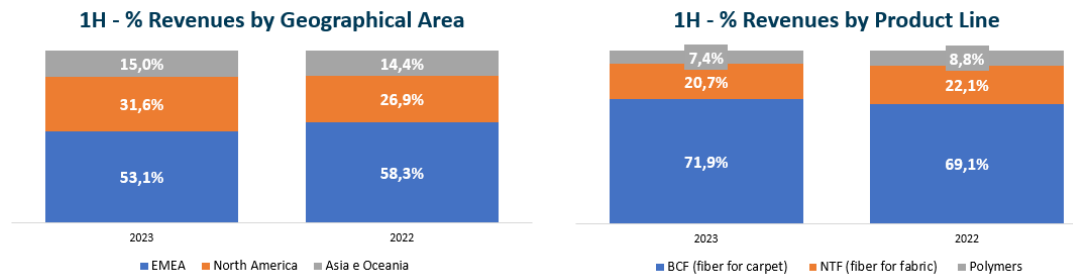
Revenues amounted to €311.1 million at June 30, 2023, of which €144.3 million in Q2 2023, with an 11.4% and a 19.8% decrease, respectively, compared to the same periods of the previous year. The change was attributable to a reduction both in volumes sold, down by 10.7% and 11.9%, respectively, compared to the same periods of the previous year, and in selling prices, as a result of their alignment to the lower prices of raw materials and other cost factors, mainly energy and transportation.

In detail, sales performance by geographical area and product line is reported below:

#### 1) in the first half of 2023:

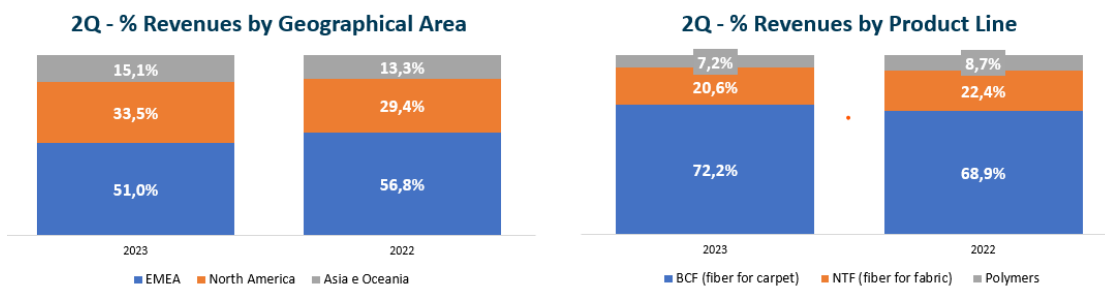
1H €/mil	BCF (fiber for carpet)				NTF (fiber for fabric)				Polymers				TOTAL					
	2023	2022	Δ	Δ%	2023	2022	Δ	Δ%	2023	2022	Δ	Δ%	2023	2022	Δ	Δ%	%23	%22
EMEA	99,0	117,8	(18,9)	(16,0)%	46,3	57,9	(11,6)	(20,0)%	19,8	28,8	(9,0)	(31,2)%	165,1	204,5	(39,4)	(19,3)%	53,1%	58,3%
North America	80,0	76,3	3,7	4,8%	15,6	16,6	(1,0)	(5,9)%	2,8	1,5	1,3	86,6%	98,4	94,4	4,0	4,2%	31,6%	26,9%
Asia e Oceania	44,2	48,1	(3,9)	(8,2)%	2,0	1,8	0,2	10,3%	0,4	0,5	(0,2)	(28,5)%	46,6	50,5	(3,9)	(7,8)%	15,0%	14,4%
RoW	0,5	0,3	0,2	58,8%	0,6	1,3	(0,7)	(54,4)%	0,0	0,0	(0,0)	N.A.	1,1	1,6	(0,5)	(33,5)%	0,3%	0,5%
<b>TOTAL</b>	<b>223,6</b>	<b>242,6</b>	<b>(19,0)</b>	<b>(7,8)%</b>	<b>64,5</b>	<b>77,6</b>	<b>(13,1)</b>	<b>(16,9)%</b>	<b>23,0</b>	<b>30,8</b>	<b>(7,8)</b>	<b>(25,4)%</b>	<b>311,1</b>	<b>351,0</b>	<b>(39,9)</b>	<b>(11,4)%</b>	<b>100,0%</b>	<b>100,0%</b>
<b>% Tot</b>	<b>71,9%</b>	<b>69,1%</b>			<b>20,7%</b>	<b>22,1%</b>			<b>7,4%</b>	<b>8,8%</b>			<b>100,0%</b>	<b>100,0%</b>				

<sup>1</sup>The evolution of the Group's revenues from one reporting period to another may be influenced by the performance of raw materials prices, which is reflected in final sales prices through predefined contractual mechanisms. Accordingly, to ensure a proper understanding of its results, the Group also presents its revenue performance in terms of change in first choice "volumes sold", which historically account for approximately 95% of the Group's revenues.



2) in the second quarter of 2023:

2Q	BCF (fiber for carpet)				NTF (fiber for fabric)				Polymers				TOTAL			
	2023	2022	Δ	Δ%	2023	2022	Δ	Δ%	2023	2022	Δ	Δ%	2023	2022	Δ	Δ%
EMEA	44,7	58,5	(13,8)	(23,6)%	20,0	29,4	(9,5)	(32,2)%	8,9	14,3	(5,4)	(37,8)%	73,6	102,2	(28,6)	(28,0)%
North America	38,6	42,4	(3,8)	(9,0)%	8,4	9,3	(0,8)	(8,9)%	1,3	1,2	0,1	7,3%	48,4	52,9	(4,6)	(8,6)%
Asia e Oceania	20,7	22,9	(2,2)	(9,8)%	1,0	0,8	0,2	23,3%	0,1	0,1	0,0	21,2%	21,8	23,9	(2,0)	(8,5)%
RoW	0,3	0,1	0,1	N.A.	0,3	0,7	(0,5)	(61,8)%	0,0	0,0	0,0	N.A.	0,5	0,9	(0,3)	(37,4)%
<b>TOTAL</b>	<b>104,2</b>	<b>123,9</b>	<b>(19,7)</b>	<b>(15,9)%</b>	<b>29,7</b>	<b>40,2</b>	<b>(10,5)</b>	<b>(26,2)%</b>	<b>10,4</b>	<b>15,7</b>	<b>(5,3)</b>	<b>(33,7)%</b>	<b>144,3</b>	<b>179,8</b>	<b>(35,6)</b>	<b>(19,8)%</b>
<b>% Tot</b>	<b>72,2%</b>	<b>68,9%</b>			<b>20,6%</b>	<b>22,4%</b>			<b>7,2%</b>	<b>8,7%</b>			<b>100,0%</b>	<b>100,0%</b>		



**EMEA** revenues amounted to €165.1 million at June 30, 2023, of which €73.6 million in Q2 2023, with a 19.3% and a 28% decline, respectively, compared to the same periods of the previous year. Volumes sold decreased by 17.9% in H1 2023 and by 15.9% in Q2 2023. An analysis by product line performance shows that:

- the BCF product line decreased by 16% in H1 2023 and by 23.6% in Q2 2023 compared to the same periods of the previous year, fully attributable to a decline in volumes sold by 15.5% in H1 2023 and by 12.9% in Q2 2023;
- the NTF product line dropped by 20% in H1 2023 and by 32.2% in Q2 2023 compared to the same periods of the previous year, fully attributable to a decline in volumes sold by 28.0% in H1 2023 and by 31.1% in Q2 2023;
- the Polymers product line declined by 31.2% in H1 2023 and by 37.8% in Q2 2023 compared to the same periods of the previous year. Within this product line, Engineering Plastics volumes sold grew by over 200% compared to the first half of the previous year, whereas for other polymers volumes sold declined by 38.9% and 30.7%, respectively, in H1 and Q2 2023.

In **North America**, revenues amounted to €98.4 million at June 30, 2023, of which €48.4 million in Q2 2023, with a 4.2% increase and an 8.6% decrease, respectively, compared to the same periods of the previous year. Volumes sold rose by 0.8% in H1 2023 and dropped by 7.1% in Q2 2023. An analysis by product line performance shows that:

- a) the BCF product line rose by 4.8% in H1 2023 compared to the same period of the previous year, mainly attributable to an increase in selling prices and a 9% decline in the second quarter, compared to the same period of the previous year, chiefly due to a 9% reduction in volumes sold compared to the same period of the previous year;
- b) the NTF product line decreased by 5.9% in H1 2023 and by 8.9% in Q2 2023 compared to the same periods of the previous year, mainly due to the 13.6% decline in volumes sold in H1 2023 compared to the same period of the previous year, partly offset by an increase in selling prices and a 9.6% rise in Q2 volumes sold that was not supported by selling prices.

In **Asia and Oceania**, revenues amounted to €46.6 million at June 30, 2023, of which €21.8 million in Q2 2023, with a 7.8% and an 8.5% decrease, respectively, compared to the same periods of the previous year. The change was attributable to a decline in revenues reported by the Group company Aquafil Engineering, which offers engineering services, in addition to a slight reduction in the volumes sold of the BCF product line, down by 3.1% in H1 2023 and by 6.7% in Q2 2023 compared to the same periods of the previous year.

Revenues from **ECONYL® branded products** accounted for 47.8% of revenues generated from fibers in the first half of the year and for 48.8% in the second quarter. This item rose by 2.4% in H1 2023 and dropped by 5.8% in Q2 2023 compared to the same periods of the previous year. Both changes were attributable to selling prices.

#### **EBITDA**

EBITDA stood at €31.3 million at June 30, 2023, of which €9.8 million in Q2 2023, with a 39.2% and a 63.5% decrease, respectively, compared to the same periods of the previous year. EBITDA margin at June 30, 2023 was 10.1% compared to 14.7% for the same period of the previous year, whereas in the second quarter it was 6.8% compared to 14.8% in Q2 2022. The reduction (approximately €13 million) was primarily due to the high unit cost of the raw materials stocked in 2022 and, to a lower extent, to the decline in volumes sold.

#### **EBIT**

EBIT amounted to €4.1 million at June 30, 2023 and was negative for €(3.9) million in Q2 2023, with an 83.3% and a 132.1% decrease, respectively, compared to the same periods of the previous year, fully attributable to the change in EBITDA.

#### **Net financial charges**

Net financial charges amounted to €(6.2) million at June 30, 2023 compared to €(0.4) million for the same period of the previous year. The result reflected the €2.7 million decline in financial income compared to the same period of the previous year, which had benefited from the positive effect of the fair value change in derivatives (IRSs), in addition to a €3.6 million increase in financial charges compared to the same period of the previous year, mainly as a result of higher interest expense on bank loans and borrowings. Moreover, exchange gains, which amounted to €1 million compared to €0.5 million in the previous period, had a positive effect of €0.5 million.

### **Income taxes**

Income taxes amounted to €2.1 million at June 30, 2023 compared to €6.5 million for the same period for the previous year. The change reflected the decrease in profit before taxes, which went from €24.1 million to €(2.1) million, as well as the effects of deferred taxes.

### **Net result**

Net result was a €(4.1) million loss at June 30, 2023 compared to a €17.7 million profit for the same period of the previous year.

## **Consolidated capital and financial highlights at June 30, 2023**

### **Investments and acquisitions**

At June 30, 2023, net investments — excluding those recognized in application of IFRS 16 — amounted to €18.4 million compared to €16.2 million for the same period of the previous year. They mainly focused on activities aimed at stepping up industrial and energy efficiency at the Group's plants, in addition to increasing the production of ECONYL® caprolactam and its raw materials and the development of circularity technologies.

### **Net working capital**

At June 30, 2023, net working capital decreased by €22.2 million. Said change was chiefly attributable to the €42.8 million reduction in the value of inventories, due both to the decline in the unit prices of raw materials and in other cost components, in addition to the decrease in the volumes of raw material inventories.

This change was partly offset by lower trade payables for €21.8 million.

### **Net Financial Position**

The Group's net financial position amounted to €250.7 million at June 30, 2023 compared to €247.9 million at December 31, 2022. Said change was due to the positive cash generation of operating activities for €28 million, the decline in working capital for €22.2 million, the change in other assets and liabilities for €4.6 million, net investments for €18.4 million, the payment of financial charges, taxes and the use of provisions for €13.3 million, the non-monetary change relating to the application of IFRS 16 for €4.1 million and the payment of dividends amounting to €12 million, as well as the purchase of treasury shares for €0.6 million.

At June 30, 2023, the NFP/LTM EBITDA ratio was x3.48 compared to x2.69 at December 31, 2022.

## **Outlook**

In the second quarter, the EMEA market showed a strong contraction, whereas demand in other geographies remained essentially in line with the same period of the previous year.

In addition to this, Europe witnessed a swift decline in the Group's main raw material, whose price decreased by nearly 30% since year-start. This decline led to a mismatch between the market prices and unit values of inventories stocked in 2022, with a temporary, yet significant impact on the Group's margins.

With regard to the second half of the year, Asia and the United States are expected to confirm an essentially stable market demand. The EMEA market remains extremely slow, particularly

with regard to fibers for garments, with an expected recovery in terms of volumes sold of fibers for carpets and polymers. In the engineering plastics market, demand is recovering overall, which will allow the Group's new product line to reach the targets set by the end of the year.

Within this context, the Group continues its important debt cutting measures launched in 2022, in addition to actions aimed at reducing costs. It bears recalling that the level of debt and margins is constantly monitored so as to be able to adopt adequate measures, where necessary.

### **Appointment of the President of the Audit, Risk and Sustainability Committee**

The Board of Directors of Aquafil S.p.A. today appointed Patrizia Riva as new President of the Audit, Risk and Sustainability Committee.

### **Significant events occurred in the first half of 2023**

#### **Distribution of dividends**

On April 27, 2023, the Ordinary Shareholders' Meeting of Aquafil S.p.A. resolved to distribute dividends of approximately €12 million, which were paid out on May 10, 2023.

#### **Acca S.p.A.**

On January 18, 2023, through the subsidiary Aquafil Chile S.p.A., a joint venture was formed with Atando Cabos S.p.A. under the name ACCA S.p.A., with registered office in Santiago (Chile) and share capital of CLP 1 million with the purpose of purchasing, storing and recycling fishing nets, nautical ropes and other plastic waste materials. The company has not yet entered into operation.

#### **Purchase of treasury shares**

As regards the plan for the buy-back of treasury shares approved by the Shareholders' Meeting on October 20, 2021, it should be noted that in January 2023 Aquafil continued to purchase treasury shares reaching a total of 1,278,450, equal to 2.4961% of share capital.

#### **Karun World LTD**

In May 2023, the interest in Karun World LTD, with registered office in Warwick, UK, was recognized for €150 thousand, equal to 1.83% of share capital. The company specializes in the production of eco-sustainable eyewear from waste materials, such as nautical ropes or fishing nets, collected in the Patagonian coasts and mountains.

\* \* \*

#### **Declaration of the appointed manager**

"The Manager responsible for preparing the Company's financial reports, Roberto Carlo Luigi Bobbio declares, pursuant to Paragraph 2 of Article 154-*bis* of the Consolidated Finance Law, that the accounting information contained in this press release corresponds to the company's records, ledgers and accounting entries."

\* \* \*

*This press release contains forward-looking statements. These statements are based on the Aquafil Group's current expectations and projections regarding future events and are, by their very nature, subject to a number of risks and uncertainties. These statements refer to events and depend on circumstances that may or may not occur or take place in the future, and, as such, undue reliance should not be made on them. Actual performance could differ significantly from the contents of such statements due to a variety of factors, including constant volatility and a further deterioration of capital and financial markets, changes in macroeconomic conditions and economic growth and other changes in business conditions, changes in the law and institutional context (in Italy and internationally), and many other factors, most of which are beyond the Group's control.*

\* \* \*

Aquafil is a pioneer in the circular economy also thanks to the ECONYL® regeneration system, an innovative and sustainable process able to create new products from waste and give life to an endless cycle. The nylon waste is collected in locations all over the world and includes industrial waste but also products – such as fishing nets and rugs – that have reached the end of their useful life. Such waste is processed to obtain a raw material – caprolactam – with the same chemical and performance characteristics as those from fossil sources. The polymers produced from ECONYL® caprolactam are distributed to the Group's production plants, where they are transformed into yarn for rugs carpet flooring and for clothing.

Founded in 1965, Aquafil is one of the main producers of nylon in Italy and worldwide. The Group employs over 2,800 people, at 20 production sites located in nine countries and in four different continents, more precisely in Italy, Slovenia, Unites States, China, Croatia, Scotland, Thailand, Australia and Japan.

#### **For further information**

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## Appendix 1 – Consolidated Income Statement

CONSOLIDATED INCOME STATEMENT €/000	Half year 2023	of which non-current	Half year 2022	of which non-current	Second Quarter 2023	of which non-current	Second Quarter 2022	of which non-current
Revenues	311.117	-	351.009	525	144.297	-	179.849	229
of which related parties	151	-	26	76	-	-	13	-
Other Revenues and income	4.947	3	2.413	114	2.230	1	1.157	23
<b>Total Revenues and Other Revenues and income</b>	<b>316.064</b>	<b>3</b>	<b>353.422</b>	<b>639</b>	<b>146.527</b>	<b>1</b>	<b>181.006</b>	<b>251</b>
Raw Material	(158.938)	-	(158.365)	(294)	(76.754)	-	(79.798)	(204)
Services	(67.864)	(1.018)	(81.957)	(738)	(31.622)	(215)	(43.097)	(384)
of which related parties	(264)	-	(230)	-	(139)	-	296	-
Personel costs	(63.019)	(515)	(64.898)	(811)	(30.985)	(197)	(33.511)	(464)
Other Operating Costs	(1.764)	(114)	(2.446)	(115)	(901)	(111)	(1.212)	(60)
of which related parties	(35)	-	(35)	-	(17)	-	(17)	-
Depreciation and Amortization	(24.287)	-	(23.756)	-	(12.458)	-	(12.838)	-
Provisions&Write-downs	115	-	174	-	28	-	191	-
(write-downs)/recovery of inandal assets (receivables)	62	-	26	-	0	-	1	-
Capitalization of Internal Construction Costs	3.736	-	2.347	-	2.286	-	1.343	-
<b>EBIT</b>	<b>4.106</b>	<b>(1.645)</b>	<b>24.548</b>	<b>(1.321)</b>	<b>(3.880)</b>	<b>(522)</b>	<b>12.085</b>	<b>(861)</b>
Investment income/ charges	-	-	(70)	-	-	-	(70)	-
of which related parties	-	-	90	-	-	-	90	-
Financial income	339	-	2.987	-	224	-	1.293	-
Financial charges	(7.505)	-	(3.862)	-	(4.225)	-	(1.991)	-
of which related parties	(87)	-	(64)	-	(42)	-	(33)	-
FX Gains and Losses	983	-	528	-	1.159	-	912	-
<b>Profit Before Taxes</b>	<b>(2.078)</b>	<b>(1.645)</b>	<b>24.131</b>	<b>(1.321)</b>	<b>(6.721)</b>	<b>(522)</b>	<b>12.229</b>	<b>(861)</b>
Income Taxes	(2.058)	-	(6.457)	-	(706)	-	(3.675)	-
<b>Net Profit (Including Portion Attr. to Minority )</b>	<b>(4.136)</b>	<b>(1.645)</b>	<b>17.674</b>	<b>(1.321)</b>	<b>(7.427)</b>	<b>(522)</b>	<b>8.554</b>	<b>(861)</b>
Net Profit Attributable to Minority Interest	0	-	0	-	-	-	-	-
<b>Net Profit Attributable to the Group</b>	<b>(4.136)</b>		<b>17.674</b>		<b>(7.427)</b>		<b>8.554</b>	



## Appendix 2 – Consolidate Income Statements – EBITDA & EBITD Adj

RECONCILIATION FROM NET PROFIT TO EBITDA €/000	Half year 2023	Half year 2022	Second Quarter 2023	Second Quarter 2022
<b>Net Profit (Including Portion Attr. to Minority )</b>	<b>(4.136)</b>	<b>17.674</b>	<b>(7.427)</b>	<b>8.554</b>
Income Taxes	2.058	6.457	706	3.675
Investment income and charges	0	70	0	70
Amortisation & Depreciation	24.287	23.756	12.458	12.838
Write-downs & Write-backs of intangible and tangible assets	(178)	(200)	(28)	(191)
Financial items (*)	7.651	2.435	3.524	893
No recurring items (**)	1.645	1.321	522	861
<b>EBITDA</b>	<b>31.327</b>	<b>51.513</b>	<b>9.755</b>	<b>26.699</b>
Revenue	311.117	351.009	144.297	179.849
<b>EBITDA Margin</b>	<b>10,1%</b>	<b>14,7%</b>	<b>6,8%</b>	<b>14,8%</b>

RECONCILIATION FROM EBITDA TO EBIT ADJUSTED €/000	Half year 2023	Half year 2022	Second Quarter 2023	Second Quarter 2022
<b>EBITDA</b>	<b>31.327</b>	<b>51.513</b>	<b>9.755</b>	<b>26.699</b>
Amortisation & Depreciation	24.287	23.756	12.458	12.838
Write-downs & Write-backs of intangible and tangible assets	(178)	(200)	(28)	(191)
<b>EBIT Adjusted</b>	<b>7.218</b>	<b>27.956</b>	<b>(2.675)</b>	<b>14.053</b>
Revenue	311.117	351.009	144.297	179.849
<b>EBIT Adjusted Margin</b>	<b>2,3%</b>	<b>8,0%</b>	<b>(1,9%)</b>	<b>7,8%</b>

(\*) The financial items include: (i) financial charges and other bank charges of Euro (7.5) million, (ii) cash discounts of Euro (1.5) million, (iii) financial income of Euro 0.3 million, and (iv) exchange gain of Euro 1 million.

(\*\*) This includes at the end of June: (i) (0.6) million related to a non recurring event in the USA, (ii) non-recurring charges related to the expansion of the Aquafil Group for Euro (0.4) million, (iii) non-recurring charges related to legal advice for Euro (0.3) million, (iv) non-recurring costs relating to the mobility of personnel of two group companies for Euro (0.2) million, (v) other non-recurring charges for Euro (0.2) million.

### Appendix 3 – Consolidated Balance Sheet

CONSOLIDATED BALANCE SHEET €/000	At June 30, 2023	At December 31, 2022
Intangible Assets	20.827	21.596
Goodwill	15.359	15.647
Tangible Assets	243.825	247.469
Financial Assets	798	831
<i>of which related parties</i>	318	318
Investments & Equity method	1.018	1.018
Other Assets	304	426
	-	-
Deferred Tax Assets	11.326	11.519
<b>Total Non-Current Assets</b>	<b>293.457</b>	<b>298.506</b>
Inventories	217.965	260.808
Trade Receivable	27.150	28.553
<i>of which related parties</i>	163	376
Financial Current Assets	6.481	9.964
Current Tax Receivables	642	580
Other Current Assets	16.130	15.862
<i>of which related parties</i>	3.744	247
Cash and Cash Equivalents	111.001	110.682
Asset held for sales	-	-
<b>Total Current Assets</b>	<b>379.368</b>	<b>426.449</b>
<b>Total Current Assets</b>	<b>672.826</b>	<b>724.955</b>
Share Capital	49.722	49.722
Reserves	103.620	96.528
Group Net Profit for the year	(4.136)	29.151
<b>Group Shareholders Equity</b>	<b>149.207</b>	<b>175.401</b>
Net Equity attributable to minority interest	1	1
Net Profit for the year attributable to minority interest	0	0
<b>Total Shareholders Equity</b>	<b>149.208</b>	<b>175.402</b>
Employee Benefits	4.866	5.192
Non-Current Financial Liabilities	275.378	285.385
<i>of which related parties</i>	4.350	5.262
Provisions for Risks and Charges	1.226	1.975
Deferred Tax Liabilities	9.232	9.237
Other Payables	7.303	8.985
<b>Total Non-Current Liabilities</b>	<b>298.005</b>	<b>310.774</b>
Current Financial Liabilities	92.756	83.146
<i>of which related parties</i>	2.706	2.957
Current Tax Payables	2.570	3.630
Trade Payables	105.035	126.840
<i>of which related parties</i>	350	270
Other Liabilities	25.251	25.163
<i>of which related parties</i>	-	230
<b>Total Current Liabilities</b>	<b>225.613</b>	<b>238.779</b>
<b>Total Equity and Liabilities</b>	<b>672.826</b>	<b>724.955</b>

## Appendix 4 – Consolidated Cash Flow Statement

CASH FLOW STATEMENT €/000	At June 30, 2023	At June 30, 2022
<b>Operation Activities</b>		
Net Profit (Including Portion Attr. to Minority)	(4.136)	17.674
<i>of which related parties</i>	<i>(234)</i>	<i>(213)</i>
Income Taxes	2.058	6.457
Investment income and charges	-	70
<i>of which related parties</i>	<i>-</i>	<i>(90)</i>
Financial income	(339)	(2.987)
Financial charges	7.505	3.862
<i>of which related parties</i>	<i>87</i>	<i>64</i>
Exchange (gains)/losses	(983)	(528)
(Gain)/Loss on non-current asset Disposals	(172)	(74)
Provisions&Write-downs	(115)	(174)
(write-downs)/recovery of financial assets (receivables)	(62)	(26)
Amortisation, depreciation & write-downs	24.287	23.757
<b>Cash Flow from Operating Activities Before Changes in NWC</b>	<b>28.043</b>	<b>48.030</b>
Change in Inventories	42.846	(60.647)
Change in Trade and Other Payables	(21.805)	31.120
<i>of which related parties</i>	<i>80</i>	<i>(103)</i>
Change in Trade and Other Receivables	1.466	(10.157)
<i>of which related parties</i>	<i>213</i>	<i>33</i>
Change in Other Assets/Liabilities	(4.644)	4.764
<i>of which related parties</i>	<i>(3.497)</i>	<i>3.163</i>
Net Interest Expenses	(6.570)	(875)
Income Taxes paid	(5.639)	(896)
Change in Provisions for Risks and Charges	(971)	(1.317)
<b>Cash Flow from Operating Activities (A)</b>	<b>32.726</b>	<b>10.021</b>
<b>Investing activities</b>		
Investment in Tangible Assets	(16.273)	(15.889)
Disposal of Tangible Assets	533	1.077
Investment in Intangible Assets	(2.500)	(1.316)
Disposal of Intangible Assets		
Investment of Financial Assets	(151)	(52)
Dividends	0	91
Disposal of financial assets		(160)
<b>Cash Flow used in Investing Activities (B)</b>	<b>(18.390)</b>	<b>(16.249)</b>
<b>Financing Activities</b>		
Increase in no-current Loan and borrowing	35.000	31.000
Decrease in no-current Loan and borrowing	(35.821)	(25.338)
Net variation in current and non-current financial Assets and Liability included IFRS 16	3.492	1.427
<i>of which related parties</i>	<i>(1.163)</i>	<i>1.126</i>
Net variation non-monetary increase IFRS 16	(4.063)	(6.246)
Dividends Distribution	(12.027)	(6.045)
Acquisition of treasury shares	(598)	(4.285)
<b>Cash Flow from Financing Activities (C)</b>	<b>(14.016)</b>	<b>(9.487)</b>
<b>Net Cash Flow of the Year (A)+(B)+(C)</b>	<b>319</b>	<b>(15.715)</b>

## Appendix 5 – Net Financial Debt

NET FINANCIAL DEBT <i>€/000</i>	At June 30, 2023	At December 31, 2022
A. Liquidity	111.001	110.682
B. Cash and cash equivalents		
C. Other current financial assets	6.481	9.964
<b>D. Liquidity (A + B + C)</b>	<b>117.482</b>	<b>120.646</b>
E. Current financial debt (including debt instruments but excluding the current portion of non-current financial debt)	( 1.864)	( 1.333)
F. Current portion of non-current financial debt	( 90.892)	( 81.814)
<b>G. Current financial debt (E + F)</b>	<b>( 92.756)</b>	<b>( 83.146)</b>
<b>H. Net current financial debt (G - D)</b>	<b>24.726</b>	<b>37.500</b>
I. Non-current financial debt (excluding current portion and debt instruments)	( 210.818)	( 215.084)
J. Debt instruments	( 64.560)	( 70.301)
K. Trade payables and other non-current payables		
<b>L. Non-current financial debt (I + J + K)</b>	<b>( 275.378)</b>	<b>( 285.385)</b>
<b>M. Total financial debt (H + L)</b>	<b>( 250.652)</b>	<b>( 247.885)</b>