

## PRESS RELEASE

### Approval of Neodecortech S.p.A. Draft Financial Statements and Consolidated Financial Statements at 31 December 2020.

- Consolidated turnover € 127.8 million (-3.9% versus € 133.0 million at 31 December 2019), despite the lockdowns in March and April at the Filago (BG) and Casoli d'Atri (TE) plants and reduced operations in May and June;
- Consolidated EBITDA € 14.6 million (€ 16 million at 31 December 2019), or 11.4% of revenue;
- Consolidated EBIT € 5.5 million (€ 7.1 million at 31 December 2019), or 4.3% of revenue;
- Consolidated net profit € 3.5 million (€ 4 million at 31 December 2019);
- Consolidated net financial debt at 31 December 2020 approximately € 39.9 million, improving versus € 40.5 million at 31 December 2019, after capital expenditure of € 6.2 million;
- Proposed dividend: € 9 cents per share with a 2.73% yield;
- Approval of Report on Corporate Governance and Ownership Structure;
- Approval of Report on Remuneration Policy and Compensation Paid;
- Confirmation by the Board of Directors for the submission of the application to move to the STAR segment managed by Borsa Italiana S.p.A.;
- Approval of the proposal on the purchase and disposal of treasury shares.

Filago, 2 March 2021

Neodecortech S.p.A. ("**NDT**" or the "**Company**"), listed on the Mercato Telematico Azionario (electronic stock market) organized and managed by Borsa Italiana S.p.A. ("**MTA**"), announces that the Board of Directors met today and, in compliance with current regulations, resolved, among other things, on the following:

1. to approve the Neodecortech S.p.A. Draft Financial Statements and Consolidated Financial Statements at 31 December 2020, prepared in accordance with international accounting standards (IAS/IFRS).
2. to approve the Report on Corporate Governance and Ownership Structure for 2020 and the Report on Remuneration Policy and Compensation for 2020 and 2021.
3. to propose the distribution of a dividend.

Despite the extraordinary events and hardships brought last year by the COVID-19 pandemic, the Group has shown great resilience and achieved a strong rebound in results especially in the second half of 2020. For this reason, thanks to these results, the current positive market conditions and the Company's financial resources, the Board assessed that all the conditions were there to comply with the dividend policy of prior years, even in such a complex and challenging year.

In this respect, in light of a net profit by Neodecortech S.p.A. of € 3,555,413.49, the Board resolved to submit to the Shareholders' Meeting a proposal for 2020 to distribute a total dividend of € 1,205,573.40 equal to € 9 cents per share, for which the ex-dividend date proposed is 17 May 2021, while the payment date proposed is from 19 May 2021 (record date 18 May 2021). The dividend yield calculated on the closing price at 1 March 2021 is 2.73%.

In this regard, it should be noted that, on 31 January 2020, the Board of Directors had approved a dividend policy for 2020-2022, which envisaged the distribution of an amount equal to at least 40% of the Company's profit as presented in the financial statements approved from year to year, without prejudice, in any case, to: (i) an absolute limit of € 2 million for each year, as well as (ii) the necessary resolutions by the Shareholders' Meeting of the Company. The Board of Directors resolved today, also for future financial periods, to clarify for the purposes of such policy, that the distribution of an amount equal to at least 40% is determined on the distributable profit for the financial period, i.e., net of allocations to legal reserves.

4. to grant authorization to the Chairman and the CEO, severally, to submit an application for admission to the STAR segment of Borsa Italiana.
5. the proposal to request authorization for the purchase and disposal of treasury shares.

The Company's Board of Directors determined to propose that the Ordinary Shareholders' Meeting resolve on the authorization for the purchase and disposal of treasury shares.

Under the proposal, the Board of Directors is authorized to purchase ordinary shares of the Company in accordance with applicable regulations, in one or more tranches, up to a maximum of no. 1,351,526 ordinary shares, equal to 10% of the share capital, for a period of 18 months from the date on which the Shareholders' Meeting adopts the corresponding resolution.

The Company intends to proceed with the purchase of the shares in such a way as to ensure equal treatment of shareholders, in accordance with CONSOB regulations. Specifically, among the purchase criteria set out in Article 144 bis of CONSOB Regulation no. 11971/1999, the Company may carry out purchases:

- i. through a public purchase or exchange offering;
- ii. on regulated markets, according to the operating criteria established in the organization and management regulations of the same markets, which do not allow the direct combination of the purchase negotiation proposals with pre-determined sale negotiation proposals;
- iii. in accordance with the procedures permitted by market practices and adopted from time to time by CONSOB.

Mention should be made that as at today's date, (i) the Company holds no. 120,000 treasury shares (equal to 0.89% of the share capital), while (ii) the subsidiaries do not hold any Company shares.

The assumptions underlying the request and the main objectives that the Board of Directors intends to pursue are to:

- a) allow the conversion of debt instruments into shares;
- b) facilitate the implementation of management incentive plans;
- c) provide liquidity to the market;
- d) set up a so-called "shares stock" that could be used for future extraordinary financial transactions;
- e) employ excess liquid resources;
- f) optimize the capital structure; and
- g) remunerate shareholders in ways other than dividend distribution.

The authorization request also envisages the power of the Board of Directors to carry out several and subsequent purchase and disposal transactions (or other acts of disposal) of treasury shares, including on a revolving basis, even for fractions of the maximum authorized quantity, so that, at any time, the quantity of shares subject to the proposed purchase and held by the Company does not exceed the limits set out by law and by the authorization of the Shareholders' Meeting.

The purchase price of the shares shall be identified on a case-by-case basis, having regard to the method chosen to carry out the transaction and in compliance with applicable legal and regulatory provisions and, specifically, at a price for each share that may not be more than 10% lower or higher than the reference price recorded by the Company's share on the Stock Exchange in the session prior to each individual purchase transaction.

With regard to disposals of treasury shares, a proposal is put forward to the Ordinary Shareholders' Meeting to authorize the Board of Directors of the Company to carry them out at a price that is not lower than 10% of the average official price recorded on the MTA in the five days prior to the disposal. This price limit may be waived in the event of exchange or sale of treasury shares in the framework of the implementation of industrial and/or business projects and/or projects of interest for the Company, in the event of disposal of shares in execution of incentive programs and, in any case, of plans pursuant to Article 114-bis of the TUF,

in the event of the fulfilment of obligations arising from debt instruments convertible into equity instruments, and in the event of integration and/or replacement of the dividend distribution policy. The Company shall also comply with the procedures, limitations and requirements envisaged by the market practices permitted by CONSOB, if and to the extent that they are applicable to one or more of the above purposes and limited to the quantities of treasury shares purchased for each of these purposes.

For further details, reference should be made to the report prepared by the Board of Directors, which will be made publicly available within the time limits provided by current regulations.

6. to grant authorization to the Chairman to convene the Ordinary Shareholders' Meeting for next 13 April 2021, at 10.30 a.m., at Studio Notarile Marchetti, located in Via Agnello 18, Milan, with the following agenda:
  1. *Review and approval of the financial statements at 31 December 2020, accompanied by the Directors' Report on Operations, the Board of Statutory Auditors' Report and the Independent Auditors' Report, and the Statement of the Financial Reporting Manager. Presentation of the Consolidated Financial Statements at 31 December 2020, accompanied by the Directors' Report on Operations, the Board of Statutory Auditors' Report, the Independent Auditors' Report, and the Statement of the Financial Reporting Manager;*
  2. *Approval of the allocation of the result for the year;*
  3. *Report on Remuneration Policy and Compensation Paid. Approval of Section One of the Report pursuant to Article 123-ter, third paragraph of Legislative Decree 58/1998;*
  4. *Report on Remuneration Policy and Compensation Paid. Advisory vote on Section Two of the Report pursuant to Article 123-ter, fourth paragraph of Legislative Decree 58/1998;*
  5. *Authorization on the purchase and disposal of treasury shares.*

The full notice of call of the Shareholders' Meeting and the documentation related to the items on the agenda will be published and made publicly available in the manners and within the time limits of law.

## CONSOLIDATED FINANCIAL HIGHLIGHTS AT 31 DECEMBER 2020

CEO Luigi Cologni's words on the consolidated figures: "*The results achieved in 2020, approved today by our Board of Directors, prove, in such a challenging context and despite the heavy impact of the COVID-19 emergency, how the Neodecortech Group has shown great resilience, retaining the quality of margins and financial soundness. These results benefited from a strong recovery in demand in the second half of the year and the launch of new products (PPLF, EOS and 142 cm laminate), which will gain increasing importance for the Group. The results achieved are significantly higher than those forecast in the base scenario of the updated 2020 budget by the Board of Directors during the transition to the MTA in May 2020 and despite the general uncertainty brought by the current unsolved COVID-19 pandemic crisis*".

The CEO continues by emphasizing how "Smart working and the renewed central role of the home environment have played a part in propelling growth in Europe in the demand for furniture, which is still driving the market segments of furnishing surfaces that represent the main outlet for Neodecortech decorative papers. And as this new year begins to unfold, the order book allows Neodecortech to remain confident of its market positioning".

Consolidated net revenue at 31 December 2020 amounted to € 127.8 million, down by 3.9% versus € 133 million recorded in the same period of the prior year.

More specifically, sales:

- in the Printed Decorative Paper Division were down by 2.3%,
- in the Decorative Paper Division dropped by 13.5%,
- in the Energy Division, on the other hand, were up by 8.4% versus the same period of the prior year.

Geographically speaking, the performance of the different areas was affected by the timeline of the spread of the COVID-19 pandemic and the gradual adoption of the containment measures by the various government authorities.

The changes versus the same period of the prior year are as follows. Regarding the two areas - Italy and Europe - that generate 94.4% of sales:

- in Italy, sales grew by 2.1%, reflecting the Group's rapid recovery in the second half of the year;
- in Europe, sales, on the other hand, fell by 8.3%;

In other geographical areas:

- in Asia and the Middle East, sales dropped by 42.3%;
- in Africa by 4.7%, while
- in America, sales were up by 2.4%.

In 2020, the cost of sales and other net operating costs amounted to € 97.7 million, making for 76.4% of revenue, down versus € 100.5 million in the same period of the prior year (75.6% of revenue).

Personnel expense amounted to € 18.9 million, making for 14.8% of revenue, down versus the same period of the prior year (€ 20.7 million, or 15.6% of revenue). The number of employees at 31 December 2020 was 385 versus 378 at 31 December 2019.

EBITDA came to € 14.6 million (11.4% of revenue), down from € 16 million at 31 December 2019 (12% of revenue). A noteworthy point is that EBITDA in the 2nd half of 2020 alone shows a margin of 12.2%.

EBIT came to € 5.5 million (4.3% of revenue) versus € 7.1 million (5.4% of revenue) at 31 December 2019.

Net financial expense amounted to € 1.4 million in the year, down versus € 1.9 million in the prior year.

The result before tax shows a profit of € 4.1 million versus € 5.2 million in the prior year.

2020 closes with a net profit of € 3.5 million (or 2.8% of revenue) versus € 4 million in 2019 (or 3% of revenue).

All the investments planned at the beginning of 2020 were completed and amounted to € 6.2 million, made mainly by the parent company in machinery for the new EOS, PPLF and "142 cm laminate" production lines.

Equity amounted to € 61.7 million versus € 61.3 million at 31 December 2019.

The net financial position at 31 December 2020 stands at € 39.9 million, after investments of € 6.2 million and new secured loans of € 10.9 million.

The net financial position:

- decreases by € 0.6 million versus 31 December 2019 (€ 40.5 million), and
- decreases by € 8.3 million versus 30 June 2020 (€ 48.2 million).

The investments planned at the beginning of 2020 have all been completed and refer mainly to machinery for the new EOS, PPLF and "142 cm laminate" production lines of the parent company.

<i>(Euro thousands)</i>	31.12.2020	% on revenues	31.12.2019	% on revenues	Chg. %
Revenues	127,8		133,0		(3,9%)
EBITDA	14,6	11,4%	16,0	12,0%	(8,8%)
EBIT	5,5	4,3%	7,1	5,4%	(22,5%)
Net Income	3,5	2,8%	4,0	3,0%	(12,5%)

	31.12.2020	30.06.2020	Chg.	31.12.2019	Chg.
Net Financial Debt	39,9	48,2	(8,3)	40,5	(0,6)

As previously disclosed to the market on 21 May 2020, following preliminary analyses and assessments of the possible effects of the COVID-19-related crisis, on 27 April 2020 the Company updated the outlook for 2020 (the "Updated 2020 Budget"), taking account of the results of first quarter 2020, closure of the plants in March-April 2020 and the presumable developments in demand for the Group during the remaining part of 2020. The Updated 2020 Budget included two sensitivity analyses with the application, respectively, of a reduction in gross revenue versus the base scenario; in the first assumption (10% reduction in gross revenue versus the base scenario), the net result shows a loss for 2020 of € 308 thousand, while in the second (a 20% reduction in gross revenue versus the base scenario), a loss of € 2,310 thousand.

Therefore, with reference to the period from 1 January 2020 to 31 December 2020, the trend in revenue, margins and in the Net Financial Position is significantly better than both the estimates of the base scenario of the Updated 2020 Budget and the two sensitivity analyses considered.

Lastly, at 31 December 2020, the Group had satisfied the only remaining covenant on a loan of one of its subsidiaries.

### **COVID-19 containment measures**

At the beginning of January 2020, the World Health Organization announced the spread of the COVID-19 infection in China, particularly in the Wuhan district, and then declared an international state of health emergency on 30 January. In February 2020, the virus had spread across Europe and America, leading to a general lockdown from March to May.

Since the onset, the Neodecortech Group has monitored the developments of the spread of COVID-19, setting up a dedicated task force and promptly adopting the necessary prevention, control and containment measures against the pandemic at all its sites in Italy. Additionally, production activities were suspended during March and April at the Filago (BG), Casoli d'Atri (TE) and Guarcino (FR) plants.

In order to contain personnel expense, the Group has resorted to the CIGO (Ordinary Temporary Layoff Benefits Fund owing to COVID-19).

For the restart of production sites, after the lockdown periods, the Group put in place effective measures to contain the virus and protect the health of its employees and associates, such as: the change of production layouts, sanitization of premises, purchase of personal protective equipment, temperature measurement, widespread adoption of hygiene rules and social distancing.

The Group has taken out insurance policies to protect workers against COVID-19-related events and, since the restart at end April, has made extensive use of smart working wherever possible.

To make up for the sacrifices by the workforce due to the use of the CIGO, the Group has set up a corporate welfare program that has virtually cancelled out the operating impact of the redundancy fund.

In order to tackle this tough market phase, between April and September 2020, the Group's financial structure was further strengthened with new short-term loan agreements for € 0.9 million and other medium/long-term loans secured by Medio Credito Centrale for a total of € 10 million.

### **EVENTS AFTER THE REPORTING PERIOD**

No significant events occurred after the end of the financial period.

### **OUTLOOK FOR THE YEAR**

Following the closures in March and April and the months of lower production capacity in May and June, the second half of the year witnessed a strong recovery in orders and the Group's income results. To date, the entire production chain in which Neodecortech and Cartiere di Guarcino operate is working at full production capacity, with a good forecast of orders for first quarter 2021. This trend is shared by all the sales areas (90% Europe) in which the companies mainly operate.

Based on the strong recovery of the figures in the second half of 2020, the Group believes it can continue this growth

trend in 2021, in line with the results forecast in the 2021 Budget, approved with the 2021-2023 Business Plan. More specifically, while staying in the general trend of the relevant market as far as the core products (printed and impregnated paper) are concerned, Neodecortech (Printed Decorative Paper Division) plans to contribute to its growth in 2021 in the areas where the investments in production that started in 2019 and were completed in 2020 were made:

- plastic printed laminated film (PPLF), used for production not only in the LVT (luxury vinyl tiles) flooring category, but also in new areas such as vertical wall coverings;
- laminates size 142 cm (in addition to 130 cm) for both existing and new customers in new areas;
- strong promotional action for the launch on the market of the new family of anti-fingerprint products, EOS, currently available in laminate and thermoplastic versions.

As for Cartiere di Guarcino S.p.A. (Decorative Paper Division), the development of Velvet Paper and, in terms of innovation, of paper for food use will continue in 2021; the positive outcome from these two new product lines is expected to increase the subsidiary's turnover.

As far as Bio Energia Guarcino (Energy Division) is concerned, the unit value of the incentive increases in 2021 from 99.05 €/MWh incentivized to 109.36 €/MWh incentivized, as a result of a reference price of electricity in 2020 of 39.80 €/MWh.

And after the all-time low recorded in 2020, the energy market is expected to trend upwards also as a result of rising gas prices.

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## ALTERNATIVE PERFORMANCE MEASURES

The definition of the main APMs used by the Neodecortech Group is given below:

- EBITDA and EBIT: alternative performance measures not defined by IFRS but used by Group Management to monitor and measure its performance, as they are not affected by volatility, due to the effects of the range of criteria for determining taxable income, the amount and characteristics of the capital employed and - for EBITDA - the amortization/depreciation policies. These measures are also commonly used by analysts and investors to assess company performance;
- OPERATING WORKING CAPITAL, NET WORKING CAPITAL, FIXED ASSETS and NET INVESTED CAPITAL: allow a better assessment of both the ability to meet short-term trade commitments through current trade assets and the consistency of the structure of loans and sources of financing in terms of time;
- NET FINANCIAL DEBT: the figure shown is in line with the value of net financial debt determined in accordance with the recommendations of the CESR (Committee of European Securities Regulators) of 10 February 2005 and referred to by CONSOB. This measure allows a better assessment of the overall level of debt, capital strength and debt repayability.

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*The Financial Reporting Manager, Fabio Zanobini, declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Finance Law, that the accounting information contained herein is consistent with the underlying accounting documents, books and records.*

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*Notice is hereby given that the Financial Statements and the Consolidated Financial Statements at 31 December 2020, together with the related Reports, the Annual Report on Corporate Governance and Ownership Structure and the Remuneration Report, approved by the Board of Directors today, will be published, in accordance with current regulations, at the Company's registered office and can be consulted on the Company's website at the following*

address [www.neodecortech.it](http://www.neodecortech.it), as well as at the authorized storage mechanism [www.1info.it](http://www.1info.it), within the time limits set forth by the relevant laws, together with the results of the audit currently underway.

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Annexed hereto are the Income Statement, the Statement of Financial Position, the Reclassified Statement of Financial Position and the Statement of Cash Flows of the Draft Financial Statements of Neodecortech S.p.A. and the Consolidated Financial Statements, the audit of which is still awaiting completion by the Independent Auditors.

## CONSOLIDATED INCOME STATEMENT AT 31 DECEMBER 2020

<i>(Euro thousands)</i>	31 December 2020	%	31 December 2019	%	Chg.	% change
<b>Revenue from sales and services</b>	<b>127.843</b>	<b>100,0%</b>	<b>132.985</b>	<b>100,0%</b>	<b>(5.142)</b>	<b>(3,9%)</b>
Changes in work in progress, semi-finished and finished	(2.547)	(2,0%)	1.359	1,0%	(3.906)	(287,4%)
Other revenue	5.871	4,6%	2.873	2,2%	2.998	104,4%
<b>Value of Production</b>	<b>131.167</b>	<b>102,6%</b>	<b>137.218</b>	<b>103,2%</b>	<b>(6.051)</b>	<b>(4,4%)</b>
Raw and ancillary materials and consumables	(75.834)	(59,3%)	(77.501)	(58,3%)	1.667	(2,2%)
Other operating expense	(21.832)	(17,1%)	(23.040)	(17,3%)	1.208	(5,2%)
<b>Value Added</b>	<b>33.501</b>	<b>26,2%</b>	<b>36.678</b>	<b>27,6%</b>	<b>(3.177)</b>	<b>(8,7%)</b>
Personnel expense	(18.882)	(14,8%)	(20.724)	(15,6%)	1.842	(8,9%)
<b>EBITDA</b>	<b>14.619</b>	<b>11,4%</b>	<b>15.954</b>	<b>12,0%</b>	<b>(1.335)</b>	<b>(8,4%)</b>
Amortization and depreciation	(8.725)	(6,8%)	(8.689)	(6,5%)	(36)	0,4%
Allocations	(406)	(0,3%)	(134)	(0,1%)	(272)	203,0%
<b>EBIT</b>	<b>5.488</b>	<b>4,3%</b>	<b>7.130</b>	<b>5,4%</b>	<b>(1.642)</b>	<b>(23,0%)</b>
Financial expense	(1.705)	(1,3%)	(2.044)	(1,5%)	339	(16,6%)
Financial income	280	0,2%	122	0,1%	158	129,5%
<b>Profit/(loss) before tax</b>	<b>4.063</b>	<b>3,2%</b>	<b>5.209</b>	<b>3,9%</b>	<b>(1.146)</b>	<b>(22,0%)</b>
Income tax	(527)	(0,4%)	(1.248)	(0,9%)	721	(57,8%)
<b>Profit/(loss) for the period</b>	<b>3.536</b>	<b>2,8%</b>	<b>3.961</b>	<b>3,0%</b>	<b>(425)</b>	<b>(10,7%)</b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2020

<b>Assets</b>	31 December 2020	%	31 December 2019	%	Chg.	% change
<i>(Euro thousands)</i>						
Intangible assets	2.203	1,5%	2.905	1,9%	(702)	(24,2%)
Property, plant and equipment	77.221	51,2%	78.871	51,5%	(1.650)	(2,1%)
Other non-current assets	95	0,1%	113	0,1%	(18)	(15,9%)
Non-current financial receivables	1.821	1,2%	1.853	1,2%	(32)	(1,7%)
Deferred tax assets	2.115	1,4%	2.159	1,4%	(44)	(2,0%)
<b>Non-current assets</b>	<b>83.455</b>	<b>55,3%</b>	<b>85.902</b>	<b>56,1%</b>	<b>(2.447)</b>	<b>(2,8%)</b>
Inventory	36.684	24,3%	39.114	25,6%	(2.430)	(6,2%)
Trade receivables	19.252	12,8%	19.239	12,6%	13	0,1%
Receivables from tax consolidation	1.008	0,7%	918	0,6%	90	9,8%
Tax receivables	1.767	1,2%	2.506	1,6%	(739)	(29,5%)
Current financial receivables	64	0,0%	63	0,0%	1	1,6%
Other current receivables	1.118	0,7%	1.870	1,2%	(752)	(40,2%)
Cash and cash equivalents	7.536	5,0%	3.475	2,3%	4.061	116,9%
<b>Current assets</b>	<b>67.428</b>	<b>44,7%</b>	<b>67.185</b>	<b>43,9%</b>	<b>243</b>	<b>0,4%</b>
<b>Total Assets</b>	<b>150.883</b>	<b>100,0%</b>	<b>153.087</b>	<b>100,0%</b>	<b>(2.204)</b>	<b>(1,4%)</b>
<b>Equity and liabilities</b>						
	31 December 2020	%	31 December 2019	%	Chg.	% change
<i>(Euro thousands)</i>						
Share capital	17.399	11,5%	16.203	10,6%	1.196	7,4%
Share premium reserve	17.357	11,5%	17.357	11,3%	0	0,0%
Other reserves	13.954	9,2%	15.002	9,8%	(1.048)	(7,0%)
Prior years' profit (loss)	9.412	6,2%	8.755	5,7%	657	7,5%
Profit (loss) for the period	3.536	2,3%	3.961	2,6%	(425)	(10,7%)
<b>Equity</b>	<b>61.658</b>	<b>40,9%</b>	<b>61.277</b>	<b>40,0%</b>	<b>381</b>	<b>0,6%</b>
Provisions for risks and charges	1.284	0,9%	918	0,6%	366	39,9%
Deferred tax	6.231	4,1%	6.575	4,3%	(344)	(5,2%)
Post-employment benefits	2.728	1,8%	2.887	1,9%	(159)	(5,5%)
Non-current financial liabilities	28.840	19,1%	23.051	15,1%	5.789	25,1%
<b>Non-current liabilities</b>	<b>39.084</b>	<b>25,9%</b>	<b>33.431</b>	<b>21,8%</b>	<b>5.653</b>	<b>16,9%</b>
Trade payables	25.571	16,9%	31.333	20,5%	(5.762)	(18,4%)
Payables from tax consolidation	476	0,3%	422	0,3%	54	12,8%
Tax payables	708	0,5%	881	0,6%	(173)	(19,6%)
Current financial liabilities	18.666	12,4%	21.023	13,7%	(2.357)	(11,2%)
Other current payables	4.719	3,1%	4.719	3,1%	0	0,0%
<b>Current liabilities</b>	<b>50.140</b>	<b>33,2%</b>	<b>58.379</b>	<b>38,1%</b>	<b>(8.239)</b>	<b>(14,1%)</b>
<b>Total equity and liabilities</b>	<b>150.883</b>	<b>100,0%</b>	<b>153.087</b>	<b>100,0%</b>	<b>(2.204)</b>	<b>(1,4%)</b>



## RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2020

<i>(Euro thousands)</i>	31 December 2020	31 December 2019	Chg.	% change
Trade receivables	19.252	19.239	13	0,1%
Inventory	36.684	39.114	(2.430)	(6,2%)
Trade payables	(25.571)	(31.333)	5.762	(18,4%)
<b>Operating NWC</b>	<b>30.365</b>	<b>27.020</b>	<b>3.345</b>	<b>12,4%</b>
Other current receivables	1.118	1.870	(752)	(40,2%)
Receivable from Tax Consolidation	1.008	918	90	0,0%
Tax receivables	1.767	2.506	(739)	0,0%
Other current payables	(4.719)	(4.714)	(5)	0,1%
Tax payables	(708)	(881)	173	(19,6%)
Payables from tax consolidation	(476)	(422)	(54)	12,8%
<b>Net Working Capital</b>	<b>28.355</b>	<b>26.297</b>	<b>2.058</b>	<b>7,8%</b>
Property, plant and equipment	77.221	78.871	(1.650)	(2,1%)
Intangible fixed assets	2.203	2.905	(702)	(24,2%)
Non-current financial assets	1.821	1.853	(32)	(1,7%)
Other non-current assets	95	108	(13)	100,0%
<b>Fixed assets</b>	<b>81.340</b>	<b>83.738</b>	<b>(2.398)</b>	<b>(2,9%)</b>
Post-employment benefits	(2.728)	(2.887)	159	(5,5%)
Provisions for risks and charges	(1.284)	(918)	(366)	39,9%
Deferred tax assets and liabilities	(4.116)	(4.416)	300	(6,8%)
<b>Net Capital Employed</b>	<b>101.567</b>	<b>101.814</b>	<b>(247)</b>	<b>(0,2%)</b>
<b>Equity</b>	<b>61.658</b>	<b>61.277</b>	<b>381</b>	<b>0,6%</b>
Cash and cash equivalents	(7.536)	(3.475)	(4.061)	116,9%
Other current financial receivables	(64)	(63)	(1)	100,0%
Current financial liabilities	18.666	21.023	(2.357)	(11,2%)
Non-current financial liabilities	28.840	23.051	5.789	25,1%
<b>Net Financial Debt</b>	<b>39.906</b>	<b>40.536</b>	<b>(630)</b>	<b>(1,6%)</b>
<b>Equity and Net Financial Debt</b>	<b>101.567</b>	<b>101.814</b>	<b>(247)</b>	<b>(0,2%)</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS AT 31 DECEMBER 2020

<i>(Euro thousands)</i>	31 December 2020	31 December 2019
Profit (loss) for the period	3.536	3.961
Income tax	836	1.001
Deferred/(prepaid) tax	(308)	247
Interest expense/(interest income)	1.425	1.922
(Dividends received)	0	0
(Gains)/losses from disposal of assets	(26)	(228)
<b>1 Profit (loss) for the period before income tax, interest, dividends and gains/losses from disposals</b>	<b>5.463</b>	<b>6.903</b>
Adjustments for non-monetary items that had no balancing entry in net working capital:		
Allocation to post-employment benefits	27	22
Allocations to other provisions	1.059	77
Depreciation of fixed assets	8.725	8.689
Write-downs for impairment losses	0	0
Other adjustments for non-monetary items	(1.349)	757
<b>2 Cash flow before changes in NWC</b>	<b>13.925</b>	<b>16.448</b>
Changes in net working capital		
Decrease/(increase) in receivables from customers	(221)	4.647
Decrease/(increase) in inventory	2.023	(3.166)
Increase/(decrease) in payables to suppliers	(5.729)	(3.143)
Decrease/(increase) in other receivables	1.492	639
Increase/(decrease) in other payables	(464)	(863)
Other changes in net working capital	3	5
<b>3 Cash flow after changes in NWC</b>	<b>11.029</b>	<b>14.567</b>
Other adjustments		
Interest received/(paid)	(1.045)	(1.518)
(Income tax paid)	(484)	(698)
(Gains)/losses from disposal of assets	0	0
Dividends received	0	0
(Utilization of provisions)	(347)	0
(Utilization of provisions for post-employment benefits)	(148)	(248)
<b>4 Cash flow after other adjustments</b>	<b>9.005</b>	<b>12.103</b>
<b>A Cash flow from operations</b>	<b>9.005</b>	<b>12.103</b>
<i>Property, plant and equipment</i>	(6.120)	(7.615)
(Purchase)	(6.170)	(7.615)
Disposal	50	0
<i>Intangible fixed assets</i>	(223)	(368)
(Purchase)	(223)	(368)
Disposal	0	0
<i>Financial fixed assets</i>	18	2.426
(Purchase)	0	0
Disposal	18	2.426
<i>Current financial assets</i>	0	0
(Purchase)	0	0
disposal	0	0
<i>Proceeds from disposal of assets</i>	26	251
<b>B Cash flow from investing activities</b>	<b>(6.299)</b>	<b>(5.306)</b>
<b>Liabilities</b>	<b>3.368</b>	<b>(7.612)</b>
Increase (decrease) in short-term bank borrowings	(3.468)	(2.326)
New loans	11.046	182
Repayment of loan	(3.676)	(3.025)
Financial liabilities to other lenders	(599)	(2.173)
Change in financial receivables from other lenders	65	(218)
Equity	<b>(2.012)</b>	<b>(2.198)</b>
Share capital increase	0	0
Sale (purchase) of treasury shares	(130)	(197)
Other changes in equity	(1.882)	(2.001)
<b>C Cash flow from financing activities</b>	<b>1.355</b>	<b>(9.809)</b>
<b>Increase (decrease) in cash and cash equivalents (A ± B ± C)</b>	<b>4.061</b>	<b>(3.013)</b>
Cash and cash equivalents at 1 January	3.475	6.489
Cash and cash equivalents at 31 December	7.536	3.475

## NEODECORTECH S.P.A. INCOME STATEMENT AT 31 DECEMBER 2020

<i>(Euro thousands)</i>	31 December 2020	%	31 December 2019	%	Chg.	% change
<b>Revenue from sales and services</b>	<b>55.176</b>	<b>100,0%</b>	<b>56.454</b>	<b>100,0%</b>	<b>(1.278)</b>	<b>(2,3%)</b>
Changes in work in progress, semi-finished and finished	(403)	(0,7%)	484	0,9%	(887)	(183,3%)
Other revenue	1.466	2,7%	1.289	2,3%	177	13,7%
<b>Value of Production</b>	<b>56.239</b>	<b>101,9%</b>	<b>58.227</b>	<b>103,1%</b>	<b>(1.988)</b>	<b>(3,4%)</b>
Raw and ancillary materials and consumables	(30.709)	(55,7%)	(31.623)	(56,0%)	914	(2,9%)
Other operating expense	(10.099)	(18,3%)	(10.293)	(18,2%)	194	(1,9%)
<b>Value Added</b>	<b>15.431</b>	<b>28,0%</b>	<b>16.309</b>	<b>28,9%</b>	<b>(878)</b>	<b>(5,4%)</b>
Personnel expense	(10.543)	(19,1%)	(10.875)	(19,3%)	332	(3,1%)
<b>EBITDA</b>	<b>4.888</b>	<b>8,9%</b>	<b>5.434</b>	<b>9,6%</b>	<b>(546)</b>	<b>(10,0%)</b>
Amortization and depreciation	(3.108)	(5,6%)	(2.799)	(5,0%)	(309)	11,0%
Allocations	(248)	(0,4%)	(57)	(0,1%)	(191)	335,1%
<b>EBIT</b>	<b>1.531</b>	<b>2,8%</b>	<b>2.578</b>	<b>4,6%</b>	<b>(1.047)</b>	<b>(40,6%)</b>
Financial expense	(521)	(0,9%)	(540)	(1,0%)	19	(3,5%)
Financial income	2.722	4,9%	2.451	4,3%	271	11,1%
<b>Profit/(loss) before tax</b>	<b>3.733</b>	<b>6,8%</b>	<b>4.490</b>	<b>8,0%</b>	<b>(757)</b>	<b>(16,9%)</b>
Income tax	(177)	(0,3%)	(529)	(0,9%)	352	(66,5%)
<b>Profit/(loss) for the period</b>	<b>3.555</b>	<b>6,4%</b>	<b>3.961</b>	<b>7,0%</b>	<b>(406)</b>	<b>(10,2%)</b>

## NEODECORTECH S.P.A. STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2020

<b>Assets</b>	31 December 2020	%	31 December 2019	%	Chg.	% change
<i>(Euro thousands)</i>						
Intangible assets	637	0,7%	671	0,7%	(34)	(5,1%)
Property, plant and equipment	29.408	30,5%	28.213	30,1%	1.195	4,2%
Equity investments	25.719	26,7%	24.300	26,0%	1.419	5,8%
Other non-current assets	8	0,0%	9	0,0%	(1)	(6,8%)
Non-current financial receivables	16.838	17,5%	17.560	18,8%	(722)	(4,1%)
Deferred tax assets	595	0,6%	452	0,5%	143	31,6%
<b>Non-current assets</b>	<b>73.205</b>	<b>76,0%</b>	<b>71.206</b>	<b>76,1%</b>	<b>1.999</b>	<b>2,8%</b>
Inventory	8.451	8,8%	8.795	9,4%	(344)	(3,9%)
Trade receivables	7.024	7,3%	7.462	8,0%	(438)	(5,9%)
Tax receivables	301	0,3%	817	0,9%	(516)	(63,2%)
Current financial receivables	2.124	2,2%	3.795	4,1%	(1.671)	(44,0%)
Other current receivables	90	0,1%	98	0,1%	(8)	(8,2%)
Cash and cash equivalents	5.167	5,4%	1.446	1,5%	3.721	257,3%
<b>Current assets</b>	<b>23.156</b>	<b>24,0%</b>	<b>22.413</b>	<b>23,9%</b>	<b>743</b>	<b>3,3%</b>
<b>Total Assets</b>	<b>96.362</b>	<b>100,0%</b>	<b>93.619</b>	<b>100,0%</b>	<b>2.743</b>	<b>2,9%</b>

<b>Equity and liabilities</b>	31 December 2020	%	31 December 2019	%	Chg.	% change
<i>(Euro thousands)</i>						
Share capital	17.399	18,1%	16.203	17,3%	1.196	7,4%
Share premium reserve	17.357	18,0%	17.357	18,5%	0	0,0%
Treasury shares	(421)	(0,4%)	(291)	(0,3%)	(130)	44,7%
Other reserves	15.008	15,6%	15.328	16,4%	(320)	(2,1%)
Prior years' profit (loss)	8.761	9,1%	8.755	9,4%	6	0,1%
Profit (loss) for the period	3.555	3,7%	3.961	4,2%	(406)	(10,2%)
<b>Equity</b>	<b>61.658</b>	<b>64,0%</b>	<b>61.312</b>	<b>65,5%</b>	<b>346</b>	<b>0,6%</b>
Provisions for risks and charges	577	0,6%	386	0,4%	191	49,5%
Deferred tax	2.374	2,5%	2.387	2,5%	(13)	(0,5%)
Post-employment benefits	1.127	1,2%	1.209	1,3%	(82)	(6,8%)
Non-current financial liabilities	16.665	17,3%	14.385	15,4%	2.280	15,8%
<b>Non-current liabilities</b>	<b>20.743</b>	<b>21,5%</b>	<b>18.367</b>	<b>19,6%</b>	<b>2.376</b>	<b>12,9%</b>
Trade payables	7.186	7,5%	8.219	8,8%	(1.033)	(12,6%)
Payables from tax consolidation	229	0,2%	267	0,3%	(38)	(14,2%)
Tax payables	242	0,3%	441	0,5%	(199)	(45,1%)
Current financial liabilities	2.899	3,0%	1.570	1,7%	1.329	84,6%
Other current payables	3.405	3,5%	3.442	3,7%	(37)	(1,1%)
<b>Current liabilities</b>	<b>13.961</b>	<b>14,5%</b>	<b>13.940</b>	<b>14,9%</b>	<b>21</b>	<b>0,2%</b>
<b>Total equity and liabilities</b>	<b>96.362</b>	<b>100,0%</b>	<b>93.619</b>	<b>100,0%</b>	<b>2.743</b>	<b>2,9%</b>

## NEODECORTECH S.P.A. RECLASSIFIED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2020

<i>(Euro thousands)</i>	31 December 2020	31 December 2019	Chg.	% change
Trade receivables	7.024	7.462	(438)	(5,9%)
Inventory	8.451	8.795	(344)	(3,9%)
Trade payables	(7.186)	(8.063)	877	(10,9%)
Trade payables - Intercompany	-	(156)	156	(100,0%)
<b>Operating NWC</b>	<b>8.289</b>	<b>8.038</b>	<b>251</b>	<b>3,1%</b>
Other current receivables	90	98	(8)	(8,2%)
Tax receivables	301	817	(516)	(63,2%)
Other current payables	(3.405)	(3.442)	37	(1,1%)
Tax payables	(242)	(441)	199	(45,1%)
Payables from tax consolidation	(229)	(267)	38	(14,2%)
<b>Net Working Capital</b>	<b>4.804</b>	<b>4.803</b>	<b>1</b>	<b>0,0%</b>
Property, plant and equipment	29.408	28.213	1.195	4,2%
Intangible fixed assets	637	671	(34)	(5,1%)
Financial fixed assets	25.719	24.301	1.418	5,8%
Non-current financial assets	1.376	1.408	(32)	(2,3%)
Non-current financial assets - Intercompany	15.462	16.152	(690)	(4,3%)
Other non-current assets	8	9	(1)	100,0%
<b>Fixed assets</b>	<b>72.610</b>	<b>70.754</b>	<b>1.856</b>	<b>2,6%</b>
Post-employment benefits	(1.127)	(1.209)	82	(6,8%)
Provisions for risks and charges	(577)	(386)	(191)	49,5%
Deferred tax assets and liabilities	(1.779)	(1.936)	157	(8,1%)
<b>Net Capital Employed</b>	<b>73.931</b>	<b>72.027</b>	<b>1.904</b>	<b>2,6%</b>
<b>Equity</b>	<b>(61.658)</b>	<b>(61.312)</b>	<b>(346)</b>	<b>0,6%</b>
Cash and cash equivalents	5.167	1.446	3.721	257,3%
Other current financial receivables	64	65	(1)	100,0%
Other current financial receivables - Intercompany	2.060	3.729	(1.669)	100,0%
Current financial liabilities	(2.899)	(1.570)	(1.329)	84,6%
Non-current financial liabilities	(16.665)	(14.385)	(2.280)	15,8%
<b>Net Financial Debt</b>	<b>(12.273)</b>	<b>(10.715)</b>	<b>(1.558)</b>	<b>14,5%</b>
<b>Equity and Net Financial Debt</b>	<b>(73.931)</b>	<b>(72.027)</b>	<b>(1.904)</b>	<b>2,6%</b>

## NEODECORTECH S.P.A. STATEMENT OF CASH FLOWS AT 31 DECEMBER 2020

<i>(Euro thousands)</i>	31 December 2020	31 December 2019
Profit (loss) for the period	3.555	3.961
Income tax	338	470
Deferred/(prepaid) tax	(161)	59
Interest expense/(interest income)	(104)	(97)
(Dividends received)		
(Gains)/losses from disposal of assets	(26)	(228)
<b>1 Profit (loss) for the period before income tax, interest, dividends and gains/losses from disposals</b>	<b>3.603</b>	<b>4.165</b>
Adjustments for non-monetary items that had no balancing entry in net working capital:		
Allocation to post-employment benefits	14	19
Allocations to other provisions	669	
Depreciation of fixed assets	3.108	2.799
Write-downs for impairment losses		
Other adjustments for non-monetary items	(2.701)	(1.417)
<b>2 Cash flow before changes in NWC</b>	<b>4.693</b>	<b>5.566</b>
Changes in net working capital		
Decrease/(increase) in receivables from customers	372	909
Decrease/(increase) in inventory	14	(403)
Increase/(decrease) in payables to suppliers	(877)	193
Increase/(decrease) in payables to suppliers - Intercompany	(156)	0
Decrease/(increase) in other receivables	525	(82)
Increase/(decrease) in other payables	(274)	(167)
Other changes in net working capital		
<b>3 Cash flow after changes in NWC</b>	<b>4.296</b>	<b>6.016</b>
Other adjustments		
Interest received/(paid)	272	31
(Income tax paid)	(338)	(201)
(Gains)/losses from disposal of assets		
Dividends received		
(Utilization of provisions)	(239)	
(Utilization of provisions for post-employment benefits)	(73)	(217)
<b>4 Cash flow after other adjustments</b>	<b>3.917</b>	<b>5.629</b>
<b>A Cash flow from operations</b>	<b>3.917</b>	<b>5.629</b>
<i>Property, plant and equipment</i>	(4.122)	(4.100)
(Purchase)	(4.172)	(4.100)
Disposal	50	
<i>Intangible fixed assets</i>	(205)	(357)
(Purchase)	(205)	(357)
Disposal		
<i>Financial fixed assets</i>	1	
(Purchase)		
Disposal	1	
<i>Current financial assets</i>	2.359	
(Purchase)	(3.000)	
disposal	5.359	
<i>Proceeds from disposal of assets</i>	26	251
<b>B Cash flow from investing activities</b>	<b>(1.941)</b>	<b>(4.206)</b>
<b>Liabilities</b>	<b>3.757</b>	<b>(2.571)</b>
Increase (decrease) in short-term bank borrowings	(15)	(382)
New loans	5.900	
Repayment of loan	(2.194)	(1.588)
Financial liabilities to other lenders		(602)
Change in financial receivables from other lenders	65	
Equity	<b>(2.012)</b>	<b>(2.198)</b>
Share capital increase		
Sale (purchase) of treasury shares	(130)	(197)
Other changes in equity	(1.882)	(2.001)
<b>C Cash flow from financing activities</b>	<b>1.745</b>	<b>(4.768)</b>
<b>Increase (decrease) in cash and cash equivalents (A ± B ± C)</b>	<b>3.721</b>	<b>(3.346)</b>
Cash and cash equivalents at 1 January	1.446	4.792
Cash and cash equivalents at 31 December	5.167	1.446

## Neodecortech S.p.A.

Neodecortech is one of Europe's top players in the production of decorative papers for laminated panels and flooring used in interior design. The Group's business is in the production of complete and technologically advanced solutions for the realization of interior design projects, covering all stages of the production process for the production of decorative paper, from raw material management, through surface finishing and impregnation, up to the finished product and the management of end-of-line logistics. The Group offers 7 product categories: decorative papers; decorative printings; finish foil; melamine film; PPF and PPLF; laminates; EOS anti-fingerprint surfaces ([www.neodecortech.it](http://www.neodecortech.it)).

ISIN Code ordinary shares: IT0005275778

ISIN Code Warrants: IT0005346785

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