

PRESS RELEASE

Approval of Neodecortech S.p.A. unaudited consolidated financial highlights at 30 September 2020

- **Turnover in third quarter 2020 (€ 34.1 million) up by 4.6% versus same quarter of 2019 (€ 32.6 million) and with strong turnabout versus prior quarter;**
- **EBITDA in first nine months of 2020 equal to € 9.9 million (€ 12.9 million at 30 September 2019), making for 11.2% of revenue;**
- **Net Financial Debt at 30 September 2020 stands at € 47.6 million, steady versus 30 June 2020;**
- **New PPLF and EOS production lines up and running.**

Filago, 20 October 2020

Neodecortech S.p.A. ("NDT" or the "Company"), the Italian market leader in the production of decorative papers for laminated panels and flooring for interior design, 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 approved the Consolidated Financial Highlights for the third quarter and the nine-month period 2020. These figures have not been audited.

CEO Luigi Cologni's words on the figures: "The results achieved in the first nine months of 2020 show that, against a highly challenging backdrop marked by the impact of the COVID-19 emergency, the Neodecortech Group managed to reverse the trend of the second quarter and, overall, of the first half of the year, with turnover in third quarter 2020 up by +4.6% versus the same period of the prior year. The figures, in fact, amount to € 34.1 million in Q3 2020 versus € 32.6 million in Q3 2019, up by € +1.5 million, contributing to the recovery in turnover, down by just 10.7% versus the first nine months of 2019 and improving significantly versus -17.8% recorded at end June 2020 versus June 2019. I believe there are reasons for optimism on the year-end results since our order backlog for fourth quarter 2020 continues to hover at a much higher level than our historical average. Lockdowns and smart working appear to have clearly restored a central role to the home by pushing demand for investments to improve domestic settings. As a result, the outlook for the entire furniture and flooring industry remains positive and should be further boosted by the forthcoming tax breaks. To conclude, I'm delighted to inform you that the new EOS and PPLF production lines are up and running as from September and, together with the 142 cm laminates line that kicked off at end January 2020, will give a strong boost to the growth of the Company and the Group in the coming years in terms of both turnover and margins."

EBITDA at 30 September 2020, equal to € 9.9 million, reflects the positive trend recorded by turnover, making for 11.2% of revenue, up versus the 10.3% EBITDA margin at 30 June 2020.

The net financial position at 30 September 2020 stands at € 47.6 million, down slightly versus € 48.2 million at 30 June 2020. In this regard, mention should be made that the Group's financial structure was further strengthened in third quarter 2020 thanks to the finalization of two medium/long-term loans secured by Medio Credito Centrale for a total of € 5 million at rates significantly lower than the Group's weighted average interest rate.

Regarding the period 1 January 2020 - 30 September 2020 and considering the trend of net revenue, EBITDA and the Net Financial Position, we can safely say that the harsh situation created by the impact of COVID-19 and the relating effects on the second quarter of the year have been mitigated and reabsorbed and that we have embarked with the third quarter on the path towards a full recovery of normalcy. Additionally, at 30 September, both items (net revenue and EBITDA) and the NFP outperform the estimates appearing in

the base scenario underlying the Updated 2020 Budget referred to in Section XI of the Prospectus published on 21 May 2020 upon the Company's translisting from AIM Italia to the MTA.

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).

ISIN Code ordinary shares: IT0005275778

ISIN Code Warrants: IT0005346785

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There will be no offer to the public of the Company's shares either in Italy or in the United States, Australia, Canada or Japan or elsewhere.