

## PRESS RELEASE

### Neodecortech S.p.A. : approval of Consolidated Financial Report at 30 June 2022

- Revenue € 99.2 million, up by 20.4% versus 30 June 2021 (€ 82.4 million);
- EBITDA € 10.9 million, up by 10.7% versus 30 June 2021 (€ 9.8 million);
- EBITDA margin 11% of revenue, down slightly from 11.9% at 30 June 2021;
- EBIT € 6.1 million (€ 5.3 million at 30 June 2021), or 6.2% of revenue;
- Consolidated net profit € 8.1 million (€ 3.1 million at 30 June 2021);
- Adjusted net profit € 5.3 million, net of the non-recurring item relating to the write-off of extraordinary items from the MICA loan of € 2.8 million;
- Net financial debt at 30 June 2022 approximately € 34.2 million, up slightly versus € 29.3 million at 31 December 2021, after capital expenditure of € 4.2 million, and down versus € 41 million at 30 June 2021, which still included the MICA payable of € 5 million.

Filago, 6 September 2022

Neodecortech S.p.A. ("**NDT**" or the "**Company**"), one of Europe's top players in the production of decorative papers for laminated panels and flooring used in interior design, listed on Euronext Milan, market organized and managed by Borsa Italiana S.p.A. - Euronext STAR Milan segment, hereby announces that the Board of Directors met today and, in compliance with current regulatory provisions, approved the Consolidated Financial Report at 30 June 2022, which will be published within the time limits set forth by the relevant laws, together with the results of the limited audit currently underway.

CEO Luigi Cogni, commenting on the results: *"In first half 2022, the chain of decorative surfaces related to the furniture and furnishing market, both in terms of furniture and flooring, witnessed the continued growth trend seen since mid-2020 and throughout 2021, albeit at a slower pace.*

The ongoing conflict in Ukraine is undoubtedly producing a decline in consumption propensity broadly speaking, therefore affecting furniture and flooring as well. Since the beginning of the second half of the year, in line with the overall deterioration of the macroeconomic market sentiment, a slowdown in incoming orders has begun from the high levels seen over the past two years. In first half 2022, continued price increases for all of the Group's strategic raw materials (resins, decorative paper, plastics, titanium dioxide, pulp, and animal by-products) forced Neodecortech and Cartiere to increase the prices charged to customers in order to protect margins, which are expected to drop in the coming months due to the abovementioned deterioration of the market sentiment.

Regarding the huge spike in energy carrier costs, a point worth mentioning is their significant impact on operating costs in first half 2022 on the two operating companies Neodecortech and Cartiere di Guarcino, only partly offset by tax credits for energy and gas-intensive companies, by the limited transfer of these costs on prices charged to end customers, and the positive performance of Bio Energia Guarcino.

*The NFP, though up moderately versus the figure at 31 December last year (approximately € 29 million), is absolutely in line with the same period last year net of the effects of the MICA loan. This figure is highly positive if one considers that, owing to the small decline in margins versus 1° half last year, the period saw a temporary increase in financial debt due to the greater resort to short-term lines related to the advance supplies made for a number of strategic raw materials, the lower incentives of Bio Energia Guarcino, and due to the necessary timing of transfer of cost increases to sales lists".*

## CONSOLIDATED OPERATING AND FINANCIAL HIGHLIGHTS AT 30 JUNE 2022

Consolidated net revenue at 30 June 2022 amounted to € 99.2 million, up by 20.4% versus € 82.4 million recorded in the same period of the prior year.

More specifically, sales of the Printed Decorative Paper Division were up by 14.2%. Sales of the Decorative Paper Division were up by 42.3%. Sales of the Energy Division were down slightly by 7.3% versus the same period of the prior year.

Geographically speaking, the changes were as follows: sales increased in Italy by 31.9% (excluding the Energy division), in Europe by 11.2%, dropped in Asia (-40.3%) and the Middle East (-12.9%), while tripling in America (+271%) and slightly decreasing (-33.1%) in Africa again versus the same period of the prior year.

At 30 June 2022, the cost of sales and other net operating costs amounted to € 87.1 million, accounting for 87.8% of revenue, up from € 61.8 million in the same period of the prior year (75% of revenue), as a result of price increases in the Group's strategic raw materials (resins, decorative paper, plastic film, pulp, titanium dioxide and animal fat), in transportation, and in energy carrier costs.

Personnel expense amounted to € 11 million, in line with the same period of the prior year (€ 11.2 million), accounting for 11.1% of revenue (down from 13.6% in first half 2021). The number of employees at 30 June 2022 was 402 versus 406 at 31 December 2021.

EBITDA came to € 10.9 million (11% of revenue), a 10.7% increase in absolute terms versus € 9.8 million at 30 June 2021 (11.9% of revenue), and a slight decrease in percentage margin due to the above effects of the increases in raw material prices and energy costs.

EBIT came to € 6.1 million (6.2% of revenue), up by 15.2% versus € 5.3 million (6.4% of revenue) in first six months 2021.

Financial expense and income at 30 June 2022 reflect the net effect of the write-off of the time-barred financial payable to MICA (€ 5 million) and the related receivable from Andreotti Fotoincisioni (€ 1.3 million) totaling € 3.8 million. The adjusted net financial expense from the above write-off amounted to € 0.5 million, down from € 0.6 million at 30 June 2021.

Profit before tax amounted to € 9.5 million (€ 5.7 million adjusted for the above effects) versus € 4.7 million at 30 June 2021.

The period at 30 June 2022 closes with net profit of € 8.1 million (8.2% of revenue) versus € 3.1 million at 30 June 2021 (3.8% of revenue).

Net profit adjusted from the effects of the write-off of the time-barred financial payable and receivable (net of tax effects) amounted to € 5.3 million, up by € 2.1 million versus 30 June 2021 (+71%).

Net financial debt at 30 June 2022 stood at € 34.3 million, increasing by € 5 million versus 31 December 2021, related to higher cash use of working capital due to the greater difficulties in transferring raw material price increases and the need for advance procurement of raw materials; net financial debt was down slightly versus 30 June 2021, as the € 41 million at that date included the € 5 million of financial debt to MICA written off in first quarter 2022.

Capital expenditure for the period totaled € 4.2 million, lower than the budgeted plan, taking also account of the new contracted plants, completion of which is scheduled for second half 2022 or first quarter 2023.

(Euro millions)	30/06/2022	% revenues	30/06/2021	% revenues	Var. %
Revenues	99,2	100,0%	82,4	100,0%	20,4%
EBITDA	10,9	11,0%	9,8	11,9%	10,7%
EBIT	6,1	6,1%	5,3	6,4%	15,2%
Net Income	8,1	8,2%	3,1	3,8%	160,4%
Adj Net Income	5,3	5,3%	3,1	3,8%	71,0%

(Euro millions)	30.06.2022	30.06.2021	Chg.	31.12.2020	Chg.
Net Financial Debt	34,3	41,0	(6,7)	29,3	5,0
Net Financial Debt Adj	34,3	36,0	(1,7)	29,3	5,0

With regard to the period from 1 January 2022 to 30 June 2022, revenue and net financial debt are in line with the estimates in the 2022 Budget.

### Impacts from the Coronavirus pandemic (COVID -19) and the conflict in Ukraine

The Group's consolidated operating and financial figures at 30 June 2022 confirm not to be significantly affected by the COVID-19 pandemic.

The Group continued to comply with national pandemic containment rules and the adoption of and compliance with safety protocols on the health of workers and third parties, also managing a few non-serious COVID positive cases among employees.

Specifically, the safety protocols were further updated following entry into force of the provisions set forth in Law Decree no. 172 of 26 November 2021 "Urgent measures for the containment of the COVID-19 epidemic and for the safe performance of economic and social activities", Law Decree no. 221 of 24 December 2021, Law Decree no. 229 of 30 December 2021 "Urgent measures for the containment of the spread of the COVID-19 epidemic and provisions on health surveillance" and Law Decree no. 1 of 7 January 2022, which required, from 15 February 2022, the obligation to check the "enhanced super green pass" for workers aged over 50. With Law Decree no. 24/2022 effective as from 25 March 2022, the Group adapted its safety protocols to the new provisions, as from 1 April 2022, no longer requiring the obligation to check the "enhanced super green pass" for workers over 50. Under the additional provisions of Law Decree 68/2022 of 16 June 2022, the Group's safety procedures and protocols were updated, strongly recommending the use of masks in the workplace, although such use is no longer mandatory.

The Russian-Ukrainian conflict produced negligible direct and indirect impacts on the financial and operating results of first half 2022; the event did not bring any interruption of operations at the Group's three production plants.

Specifically, the direct impacts in terms of lower sales were moderate, as the Group has no major sales (accounting in 2021 for less than 5% of total sales) in Russia, Ukraine or Belarus.

On the purchasing front, direct impacts were felt on the prices of one of the strategic raw materials used, titanium dioxide, since Ukraine is traditionally one of its producers.

Additionally, the conflict is clearly having a major direct impact on the prices of energy carriers, *i.e.*, electricity and gas.

The indirect impacts, instead, are reflected in the lower propensity of users to consume furniture and flooring, as mentioned above.

Lastly, with regard to the restrictions and sanctions adopted by the EU in response to the Russian military aggression against Ukraine, it should be noted that the Group is complying with all the measures introduced by the European Union. From an IT point of view, the Group has adopted stringent business continuity plans, guaranteeing the full operation of back-ups, including offline solutions, to protect company systems and data from possible cyber-attacks,

which could intensify as a result of the Russian-Ukrainian conflict. Additionally, special operational response plans are in place to cope with any disruptions or limitations in the supply of both gas and electricity.

## EVENTS AFTER THE REPORTING PERIOD

On 26 July 2022, Neodecortech S.p.A. took out a new € 1,000 thousand short-term, 12-month, unsecured loan to support expenditure and working capital for the next six months, which show the first signs of declining demand.

On 2 August 2022, Bio Energia Guarcino S.r.l. took out a new € 1,500 thousand short-term, 17-month, unsecured loan to replace the use of less advantageous short-term lines and support working capital in the coming months.

## OUTLOOK FOR THE YEAR

The second half of 2022 began with an initial decline in the order backlog for the operating companies in July and August, a result of the deteriorated macroeconomic environment, of the conflict in Ukraine, and the rising cost of electricity and gas; all these elements are leading to the start of a decline in demand in the furnishing segment.

However, this context is offset by a series of product and territorial diversifications for Neodecortech S.p.A. and Cartiere di Guarcino S.p.A., as well as by the scheduled full operation of the power plant thanks to the extremely high energy prices, unlike as initially envisaged in the 2022 Budget.

Prices for a number of strategic raw materials (pulp and titanium dioxide) continue to rise, while others are starting to decrease (by-products of animal origin, palm oil); these reductions will further help margins to partly recover in second half 2022.

The production plants of Neodecortech S.p.A. and Cartiere di Guarcino S.p.A. operated at full capacity throughout the first six months, and they are expected to be fully operational throughout the final months of the year, devoting the required attention to both order trends and the risks of rationing and availability of electricity and gas.

With regard to Bio Energia Guarcino S.r.l., in second half 2022, energy prices are expected to rise further, given the levels already above 400€/MWh in the first months of the third quarter. The final part of the first six months of 2022 saw a drop in the cost of both vegetable oils and animal fats. This decrease is expected to continue in the coming months. Given the new context, and thanks to short hedges on the energy market and to long hedges on bioliquids for the second part of the year, the power plant is scheduled to operate at full capacity with the three engines. All this pending the implementing decrees for the new incentive system, which will hopefully be approved by the end of the year.

With regard to the above, the results of the impairment test on the recoverable value of the assets of the subsidiary Bio Energia Guarcino S.r.l. and of the carrying amount of the investment held by Cartiere di Guarcino S.p.A. in Bio Energia Guarcino S.r.l., approved in March 2022 and carried out on the basis of a business plan that takes account of the new incentive system, are still valid to date and confirm the full recoverability of these amounts.

All this, also considering that the sensitivity analysis prepared entailed two assumptions: a +/- 1% change in the WACC rate applied and a +/-5% weighting of the scenarios relating to entry into force of the incentive system. Despite these substantial changes, the performance of the impairment test, including the above sensitivity analyses envisaged the presence of minor impairment losses, exclusively in the event that the incentives come into effect in 2024.

Taking account of all the above considerations, in light of current events and as far as we can assess at today's date, the Group believes it can achieve the targets set in the 2022 Budget, approved on 14 December 2021, which envisages maintaining operating and financial results basically in line and in keeping with 2021.

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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;
- ADJUSTED EBITDA and ADJUSTED NET PROFIT: measures used by Management to strip EBITDA and net income respectively of the effect of non-recurring cost and revenue components;
- 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 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 Consolidated Financial Statements at 30 June 2022 of the Neodecortech Group, approved by the NDT Board of Directors today, will be published, in accordance with current regulations, at the Company's registered office and made available on the Company website at [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 limited audit currently underway.

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.

Attached are the consolidated income statement, consolidated statement of financial position, reclassified consolidated statement of financial position, consolidated net financial debt, and consolidated statement of cash flows at 30 June 2022, the audit of which is still underway.

## CONSOLIDATED INCOME STATEMENT AT 30 JUNE 2022

<i>(Euro thousands)</i>	30 JUNE 2022	%	30 JUNE 2021	%	Chg.	% change
<b>Revenue from sales and services</b>	<b>99.229</b>	<b>100,0%</b>	<b>82.434</b>	<b>100,0%</b>	<b>16.795</b>	<b>20,4%</b>
Changes in work in progress, semi-finished and finished products	6.358	6,4%	(486)	(0,6%)	6.844	(1408,2%)
Other revenue	3.451	3,5%	903	1,1%	2.548	282,2%
<b>Value of Production</b>	<b>109.039</b>	<b>109,9%</b>	<b>82.852</b>	<b>100,5%</b>	<b>26.187</b>	<b>31,6%</b>
Raw and ancillary materials and consum.	(70.618)	(71,2%)	(49.561)	(60,1%)	(21057)	42,5%
Other operating expense	(16.503)	(16,6%)	(12.235)	(14,8%)	(4.268)	34,9%
<b>Value Added</b>	<b>21.918</b>	<b>22,1%</b>	<b>21.056</b>	<b>25,5%</b>	<b>862</b>	<b>4,1%</b>
Personnel expense	(11039)	(11,1%)	(11229)	(13,6%)	190	(1,7%)
<b>EBITDA</b>	<b>10.879</b>	<b>11,0%</b>	<b>9.826</b>	<b>11,9%</b>	<b>1.053</b>	<b>10,7%</b>
Amortization and depreciation	(4.704)	(4,7%)	(4.322)	(5,2%)	(382)	8,8%
Allocations	(55)	(0,1%)	(192)	(0,2%)	137	(71,4%)
<b>EBIT</b>	<b>6.120</b>	<b>6,2%</b>	<b>5.313</b>	<b>6,4%</b>	<b>807</b>	<b>15,2%</b>
Financial expense	(2.054)	(2,1%)	(682)	(0,8%)	(1.372)	201,2%
Financial income	5.422	5,5%	112	0,1%	5.310	4741,1%
<b>Profit/(loss) before tax</b>	<b>9.488</b>	<b>9,6%</b>	<b>4.743</b>	<b>5,8%</b>	<b>4.745</b>	<b>100,0%</b>
Income tax	(1.364)	(1,4%)	(1.623)	(2,0%)	259	(16,0%)
<b>Profit/(loss) for the period</b>	<b>8.124</b>	<b>8,2%</b>	<b>3.120</b>	<b>3,8%</b>	<b>5.004</b>	<b>160,4%</b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2022

Assets	30 JUNE 2022	%	31 DECEMBER 2021	%	Chg.	% change
<i>(Euro thousands)</i>						
Intangible assets	1.158	0,7%	1.551	0,9%	(393)	(25,3%)
Property, plant and equipment	78.479	47,1%	78.561	46,5%	(82)	(0,1%)
Other non-current assets	227	0,1%	19	0,0%	208	1094,7%
Non-current financial receivables	445	0,3%	1.757	1,0%	(1.312)	(74,7%)
Deferred tax assets	1.880	1,1%	1.985	1,2%	(105)	(5,3%)
<b>Non-current assets</b>	<b>82.190</b>	<b>49,4%</b>	<b>83.873</b>	<b>49,6%</b>	<b>(1.683)</b>	<b>(2,0%)</b>
Inventory	46.388	27,9%	40.603	24,0%	5.785	14,2%
Trade receivables	29.181	17,5%	26.632	15,7%	2.549	9,6%
Receivables from tax consolidation	826	0,5%	1.129	0,7%	(303)	(26,8%)
Tax receivables	2.700	1,6%	2.299	1,4%	401	17,4%
Current financial receivables	0	0,0%	0	0,0%	0	0,0%
Other current receivables	1.735	1,0%	1.084	0,6%	651	60,1%
Cash funds	3.478	2,1%	13.491	8,0%	(10.013)	(74,2%)
<b>Current assets</b>	<b>84.309</b>	<b>50,6%</b>	<b>85.238</b>	<b>50,4%</b>	<b>(929)</b>	<b>(1,1%)</b>
<b>Total assets</b>	<b>166.499</b>	<b>100,0%</b>	<b>169.111</b>	<b>100,0%</b>	<b>(2.612)</b>	<b>(1,5%)</b>

Equity and liabilities	30 JUNE 2022	%	31 DECEMBER 2021	%	Chg.	% change
<i>(Euro thousands)</i>						
Share capital	18.804	11,3%	18.804	11,1%	0	0,0%
Share premium reserve	18.864	11,3%	18.864	11,2%	0	0,0%
Other reserves	24.833	14,9%	17.348	10,3%	7.485	43,1%
Prior years' profit (loss)	6.201	3,7%	8.761	5,2%	(2.560)	(29,2%)
Profit (loss) for the period	8.124	4,9%	6.688	4,0%	1.436	21,5%
<b>Equity</b>	<b>76.826</b>	<b>46,1%</b>	<b>70.465</b>	<b>41,7%</b>	<b>6.361</b>	<b>9,0%</b>
Provisions for risks and charges	714	0,4%	977	0,6%	(263)	(26,9%)
Deferred tax	6.227	3,7%	6.450	3,6%	77	1,3%
Post-employment benefits	2.237	1,3%	2.587	1,5%	(350)	(13,5%)
Non-current financial liabilities	14.956	9,0%	23.220	13,7%	(8.264)	(35,6%)
<b>Non-current liabilities</b>	<b>24.134</b>	<b>14,5%</b>	<b>32.934</b>	<b>19,5%</b>	<b>(8.800)</b>	<b>(26,7%)</b>
Trade payables	34.857	20,9%	39.832	23,6%	(4.975)	(12,5%)
Payables from tax consolidation	1.788	1,1%	816	0,5%	972	119,1%
Tax payables	831	0,5%	773	0,5%	58	7,5%
Current financial liabilities	22.787	13,7%	19.616	11,6%	3.171	16,2%
Other current payables	5.275	3,2%	4.674	2,8%	601	12,9%
<b>Current liabilities</b>	<b>65.538</b>	<b>39,4%</b>	<b>65.711</b>	<b>38,9%</b>	<b>(173)</b>	<b>(0,3%)</b>
<b>Total equity and liabilities</b>	<b>166.499</b>	<b>100,0%</b>	<b>169.111</b>	<b>100,0%</b>	<b>(2.612)</b>	<b>(1,5%)</b>

## RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2022

(Euro thousands)	30 JUNE 2022	31 DECEMBER 2021	Chg.	% change
Trade receivables	29.181	26.632	2.549	9,6%
Inventory	46.388	40.603	5.785	14,2%
Trade payables	(34.858)	(39.833)	4.975	(12,5%)
<b>Operating NWC</b>	<b>40.712</b>	<b>27.402</b>	<b>13.310</b>	<b>48,6%</b>
Other current receivables	1.735	1.084	651	60,1%
Receivable from Tax Consolidation	826	1.129	(303)	(26,8%)
Tax receivables	2.775	2.299	476	20,7%
Other current payables	(5.274)	(4.673)	(601)	12,9%
Tax payables	(831)	(773)	(58)	7,5%
Payables from tax consolidation	(1.788)	(816)	(972)	119,1%
<b>Net Working Capital</b>	<b>38.153</b>	<b>25.652</b>	<b>12.501</b>	<b>48,7%</b>
Property, plant and equipment	78.479	78.561	(82)	(0,1%)
Intangible fixed assets	1.58	1.551	(393)	(25,3%)
Non-current financial assets	579	1.757	(1.178)	(67,0%)
Other non-current assets	19	19	-	0,0%
<b>Fixed assets</b>	<b>80.235</b>	<b>81.888</b>	<b>(1.653)</b>	<b>(2,0%)</b>
Post-employment benefits	(2.237)	(2.587)	350	(13,5%)
Provisions for risks and charges	(714)	(977)	263	(26,9%)
Deferred tax assets and liabilities	(4.347)	(4.166)	(181)	4,3%
<b>Net Capital Employed</b>	<b>111.090</b>	<b>99.811</b>	<b>11.279</b>	<b>11,3%</b>
<b>Equity</b>	<b>76.826</b>	<b>70.465</b>	<b>6.361</b>	<b>9,0%</b>
Cash funds	(3.478)	(13.491)	10.013	(74,2%)
Other current financial receivables	-	-	-	0,0%
Current financial liabilities	22.786	19.616	3.170	16,2%
Non-current financial liabilities	14.956	23.220	(8.264)	(35,6%)
<b>Net Financial Debt</b>	<b>34.264</b>	<b>29.345</b>	<b>4.919</b>	<b>16,8%</b>
<b>Equity and Net Financial Debt</b>	<b>111.090</b>	<b>99.811</b>	<b>11.279</b>	<b>11,3%</b>



## CONSOLIDATED STATEMENT OF NET FINANCIAL DEBT AT 30 JUNE 2022

<i>(Euro thousands)</i>	30 JUNE 2022	31 DECEMBER 2021	Chg.	30 JUNE 2021	Chg.
A. Cash funds	(3.478)	(13.491)	10.013	(5.426)	1.948
B. Cash and cash equivalents	0	0	0	0	0
C. Other current financial assets	(4)	0	(4)	(68)	64
<b>D. Cash (A) + (B) + (C)</b>	<b>(3.483)</b>	<b>(13.491)</b>	<b>10.008</b>	<b>(5.494)</b>	<b>2.011</b>
E. Current financial debt	16.737	13.608	3.129	14.481	2.256
F. Current portion of non-current debt	6.054	6.008	46	5.846	208
<b>G. Current financial debt (E)+(F)</b>	<b>22.791</b>	<b>19.616</b>	<b>3.175</b>	<b>20.327</b>	<b>2.464</b>
<b>H. Net current financial debt (G)-(D)</b>	<b>19.308</b>	<b>6.125</b>	<b>13.183</b>	<b>14.833</b>	<b>4.475</b>
I. Non-current financial debt	14.956	23.220	(8.264)	26.177	(11.221)
J. Debt instruments	0	0	0	0	0
K. Trade payables and other non-current payables	0	0	0	0	0
<b>L. Non-current financial debt (I)+(J)+(K)</b>	<b>14.956</b>	<b>23.220</b>	<b>(8.264)</b>	<b>26.177</b>	<b>(11.221)</b>
<b>M. Total financial debt (H)+(L)</b>	<b>34.264</b>	<b>29.345</b>	<b>4.919</b>	<b>41.009</b>	<b>(6.745)</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS AT 30 JUNE 2022

<i>(Euro thousands)</i>	30 JUNE 2022	30 JUNE 2021
Profit (loss) for the period	8.124	3.120
Income tax	1.330	1.580
Deferred/(prepaid) tax	34	43
Interest expense/(interest income)	(3.203)	781
(Dividends received)	0	0
(Gains)/losses from disposal of assets	(8)	(200)
<b>1 Profit (loss) for the period before income tax, interest, dividends and gains/losses from disposals</b>	<b>6.275</b>	<b>5.324</b>
Adjustments for non-monetary items that had no balancing entry in net working capital:		
Allocation to post-employment benefits	79	19
Allocations to other provisions	162	337
Amortization and depreciation of fixed assets	4.704	4.322
Write-downs for impairment losses	0	0
Other adjustments for non-monetary items	(1.243)	(341)
<b>2 Cash flow before changes in NWC</b>	<b>9.978</b>	<b>9.661</b>
Changes in net working capital		
Decrease/(increase) in receivables from customers	(2.521)	(5.454)
Decrease/(increase) in inventory	(5.928)	1.695
Increase/(decrease) in payables to suppliers	(4.975)	1.204
Decrease/(increase) in other receivables	(712)	(1.840)
Increase/(decrease) in other payables	1.731	1.428
Other changes in net working capital	0	0
<b>3 Cash flow after changes in NWC</b>	<b>(2.426)</b>	<b>6.695</b>
Other adjustments		
Interest received/(paid)	(471)	(287)
(Income tax paid)	(227)	(1.177)
(Gains)/losses from disposal of assets	0	0
Dividends received	0	0
(Utilization of provisions)	(285)	(351)
(Utilization of provisions for post-employment benefits)	(88)	(91)
<b>4 Cash flow after other adjustments</b>	<b>(3.496)</b>	<b>4.789</b>
<b>A Cash flow from operations</b>	<b>(3.496)</b>	<b>4.789</b>
<i>Property, plant and equipment</i>	(4.104)	(4.539)
(Purchase)	(4.104)	(4.578)
Disposals	0	39
<i>Intangible fixed assets</i>	(89)	(173)
(Purchase)	(89)	(173)
Disposals	0	0
<i>Financial fixed assets</i>	0	(140)
(Purchase)	0	(216)
Disposals	0	76
<i>Current financial assets</i>	0	0
(Purchase)	0	0
disposal	0	0
<i>Proceeds from disposal of assets</i>	8	200
<b>B Cash flow from investing activities</b>	<b>(4.184)</b>	<b>(4.651)</b>
<b>Liabilities</b>	<b>(99)</b>	<b>(1.041)</b>
Increase (decrease) in short-term bank payables	3.120	1.785
New loans	0	0
Repayment of loan	(2.188)	(2.359)
Financial liabilities to other lenders	(1.030)	(499)
Change in financial receivables from other lenders	0	31
<b>Equity</b>	<b>(2.233)</b>	<b>31</b>
Share capital increase	0	0
Sale (purchase) of treasury shares	(254)	0
Other changes in equity	(1.978)	(1.206)
<b>C Cash flow from financing activities</b>	<b>(2.332)</b>	<b>(2.247)</b>
<b>Increase (decrease) in cash funds (A ± B ± C)</b>	<b>(10.013)</b>	<b>(2.110)</b>
Cash funds at 1 January 2022	13.491	7.536
Cash funds at 30 June 2022	3.478	5.426

## 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

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