

PRESS RELEASE

Approval of draft financial statements of Neodecortech S.p.A. and consolidated financial statements for the year ended 31 December 2022

- Consolidated revenue € 196.5 million, up by 11.4% versus € 176.4 million at 31 December 2021, and up by 53.7% versus 31 December 2020 (€ 127.8 million)
- Consolidated EBITDA € 16.0 million, down by 11.9% versus 31 December 2021 (€ 18.1 million) and up by 9.6% versus 31 December 2020 (€ 14.6 million). EBITDA margin in 2022 accounting for 8.1% of revenue;
- Consolidated EBIT € 6.1 million (€ 9.2 million at 31 December 2021 and € 5.5 million at 31 December 2020), or 3.1% of revenue;
- Consolidated net profit € 8.4 million (€ 6.7 million at 31 December 2021 and € 3.5 million at 31 December 2020), or 4.3% of revenue;
- Net profit adjusted for the net effects of the extraordinary MICA item (€ 2.9 million) € 5.572 million;
- Consolidated financial debt at 31 December 2022 approximately € 30.7 million, deteriorating slightly versus € 29.3 million at 31 December 2021, after capital expenditure of € 9.2 million;
- Proposed dividend: € 14 cents per share with a 3.90% yield;
- Approval of the Voluntary Non-Financial Statement for 2022, to be subject to limited assurance.

Filago, 15 March 2023

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 the Euronext Milan market - STAR Segment organized and managed by Borsa Italiana S.p.A., announces that the Board of Directors met today and, in compliance with current regulations, resolved, among other things:

1. to approve the draft financial statements of NDT and the consolidated financial statements for the year ended 31 December 2022, prepared in accordance with international accounting standards (IAS/IFRS) and in compliance with the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF).
2. to approve for the second year the voluntary non-financial statement for 2022, which will be published, pursuant to applicable regulations, at the Company's registered office, on the Company website at www.neodecortech.it, and at the authorized storage mechanism www.1info.it, within the time limits set forth by the relevant laws, together with the results of the limited assurance carried out by Deloitte & Touche S.p.A., in accordance with the criteria set out by the ISAE 3000 (Revised).
3. to propose the Shareholders' Meeting to distribute a dividend.

In light of the results achieved, the Board has assessed the satisfaction of the conditions to apply the dividend distribution policy (the "**Dividend Policy**") adopted on 31 January 2020, in keeping with prior years.

In this regard, it is hereby clarified that the Dividend Policy envisages the distribution, with regard to 2020-2022, of an amount equal to at least 40% of the Company's profit as shown in the approved financial statements from year to year, notwithstanding, in any case: (i) an absolute limit of € 2 million for each year, as well as (ii) the approval of the proposed dividend distribution by the Company's Shareholders' Meeting; and (iii) that the distribution of an amount equal to at least 40% is determined on the distributable profit for the year, i.e., net of allocations to reserves required by law (as most recently clarified by resolution of the

Board of Directors of 2 March 2021).

In this respect, in light of an adjusted net profit by NDT of € 5,572,216.41, the Board resolved to submit to the Shareholders' Meeting a proposal for 2022 to distribute a total dividend of € 2,000,000 equal to € 0.14 cents per share, for which the ex-dividend date proposed is 22 May 2023, while the payment date proposed is from 24 May 2023 (record date 23 May 2023). The dividend yield calculated on the closing price at 14 March 2023 is 3.90%.

4. Authorization granted to the Chairman to call the Ordinary and Extraordinary Shareholders' Meeting on 27 April 2023, at 3 p.m. at Neodecortech S.p.A., headquartered in Via Provinciale 2 in Filago (BG) with the following agenda:

Ordinary session

1. *Review and approval of the financial statements of Neodecortech S.p.A. at 31 December 2022, including the Board of Directors' Report on Operations, the Board of Statutory Auditors' Report, the Independent Auditors' Report, and the Statement of the Financial Reporting Manager. Relevant and ensuing resolutions;*
2. *Proposed allocation of profit for the year. Relevant and ensuing resolutions;*
3. *Presentation of the consolidated financial statements of the Neodecortech Group at 31 December 2022, including the Board of Directors' Report on Operations, the Board of Statutory Auditors' Report, the Independent Auditors' Report, and the Statement of the Financial Reporting Manager;*
4. *Presentation of the Non-Financial Statement of the Neodecortech Group at 31 December 2022, prepared pursuant to Legislative Decree no. 254 of 30 December 2016.*
5. *Authorization on the purchase and disposal of treasury shares. Relevant and ensuing resolutions;*
6. *Changes in the fees to the members of the Board of Directors. Relevant and ensuing resolutions;*
7. *Review of Section I of the Report on the Remuneration Policy for 2023 and Compensation Paid in 2022, prepared pursuant to Article 123-ter, paragraph 3, of Legislative Decree no. 58 of 24 February 1998. Resolutions pursuant to Article 123-ter, paragraphs 3-bis and 3-ter, of Legislative Decree no. 58 of 24 February 1998;*
8. *Review of Section II of the Report on the Remuneration Policy for 2023 and Compensation Paid in 2022, prepared pursuant to Article 123-ter, paragraph 4, of Legislative Decree no. 58 of 24 February 1998. Resolutions pursuant to Article 123-ter, paragraph 6, of Legislative Decree no. 58 of 24 February 1998;*
9. *Additional fees to the Independent Auditors. Relevant and ensuing resolutions;*
10. *Appointment of the members of the Board of Statutory Auditors. Relevant and ensuing resolutions;*
11. *Appointment of the Chairman of the Board of Statutory Auditors. Relevant and ensuing resolutions;*
12. *Determination of the total fees for each year of the term of office of the members of the Board of Statutory Auditors. Relevant and ensuing resolutions.*

Extraordinary session

1. *Amendment to Articles 13, 21 and 24 of the Bylaws. Relevant and ensuing resolutions.*

Specifically, the Board granted the Chairman and the Chief Executive Officer, severally, the powers to discharge the relevant procedures. 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 OPERATING AND FINANCIAL HIGHLIGHTS AT 31 DECEMBER 2022

In the words of CEO Luigi Cologni: "The Group's income and financial results in 2022 of the group headed by NDT (the **"Group"**), approved today by the Board of Directors, are worthy of note in light of the various non-ordinary events that occurred during the year: the increase in electricity and gas costs, the effects of the Russian-Ukrainian conflict as well as the effects of the surge of inflation with the resulting continued rises in interest rates. Such a macroeconomic environment clearly affected the general level of consumption and led, especially in the second half of the year, to a certain slowdown in the entire economic system. NDT's industry was no exception. In light of these considerations, the results achieved can be considered positive.

The revenue growth trend already witnessed from 2021 and continued in 2022, as from end June 2022, has declined consistently with the general market trend and partly amplified by the effects of destocking. However, this decrease has been mitigated thanks to the gradually increasing contribution of new EOS products, to the family of laminated products, and to geographical diversification. These effects were felt particularly in the North American market by Cartiere di Guarcino S.p.A. (**"CDG"**). As a result, while sales increased by 11.4%, the performance of EBITDA and net profit was affected by the sharp increase in energy, gas and raw material costs in general, which the Group was only able to partly transfer to end customers with a time lag of at least one quarter on average.

Regarding the trend of incoming orders, mention should be made that in the first two months of the current year, the trend was in line with Q4 2022; however, since the beginning of March, we are seeing a reversal of this downward trend. The challenge for the next 18-24 months will definitely be to **"uphold"** the revenue levels of 2022 while improving profitability levels and placing special attention to the trend of net financial debt. The Net Financial Debt/EBITDA ratio in 2022 appears to be on the rise (1.9 versus 1.6 in 2021), the main reason being the above increase in costs not fully transferred to customers. It should, however, be noted that even with the deterioration in the leverage ratio, Net Financial Debt at 31 December 2022 stood at € 30.7 million, after capital expenditure of € 9.2 million. As a result, the net financial position increased slightly by € 1.4 million versus 31 December 2021 (€ 29.3 million), but decreased by € 3.6 million versus 30 June 2022 (€ 34.3 million).

Consolidated net revenue at 31 December 2022 amounted to € 196.5 million, up by 11.4% versus the same period of the prior year, which ended at € 176.4 million, up also by 53.7% (€ 127.8 million) versus 2020 mainly in the decorative paper division (+26.3%) and energy (+14.3%).

The various areas performed differently, in particular (i) in Italy, sales grew by 13.3%; (ii) in Europe, sales dropped by 4.3%; (iii) America showed a strong growth of 226.9%, while in Asia, the Middle East and Africa the results fell by 15.1%, 42.9% and 30.4%, respectively.

In 2022, the cost of sales and other net operating costs amounted to € 170.4 million, making for 86.7% of revenue, up from € 139.3 million in the same period of the prior year (79% of revenue), due mainly to the increase in the prices of the Group's strategic raw materials throughout 2022, transferred with a time lag of at least one quarter to customers. Mention should be made that for Bio Energia Guarcino S.r.l. (**"BEG"**), despite the increases in the price of animal fat (+70% on average throughout the year), the increase in the price of energy sold offset by the value of incentives, which, however, were steady and unchanged throughout the year, no increase was recorded in this cost item and therefore no reduction in margins.

Personnel expense amounted to € 21.0 million, accounting for 10.7% of revenue, down versus the same period of the prior year (12.4% of revenue) and with a decrease in absolute terms of € -0.8 million. The number of Group employees at 31 December 2022 was 400 versus 406 at 31 December 2021.

EBITDA amounted to € 16.0 million (8.1% of revenue), down versus € 18.1 million at 31 December 2021 (10.3% of revenue) and up versus € 14.6 million at 31 December 2020 (11.4% of revenue). The lower percentage on revenue is attributable to the mentioned raw material price increases.

EBIT came to € 6.1 million (3.1% of revenue) versus € 9.2 million (5.2% of revenue) at 31 December 2021, and € 5.5 million at 31 December 2020 (4.3% of revenue).

Net financial income amounted to € 3.1 million in the year versus € 1.2 million in financial expense in the prior year. The financial income is attributable to the non-recurring item for the write-off of receivables from Andreotti Fotoincisioni S.p.A. and the symmetrical write-off of the payable to MICA amounting to € 3.8 million. Thus, net recurring financial expense net of these extraordinary items amounted to € 0.7 million versus € 1.2 million in 2021, proof of the continued strategy of optimizing and reducing the cost of debt and despite the +2.7% increase in Euribor versus 31 December 2021.

The result before tax shows a profit of € 9.2 million versus € 8 million in the prior year, up due to the above write-off of the payable, and € 4.1 million at 31 December 2020.

2022 closes with a net profit of € 8.4 million (making for 4.3% of revenue) versus € 6.7 million in 2021 (3.8% of revenue) and € 3.5 million in 2020 (2.8% of revenue). A point worth mentioning is that the Group's tax rate versus prior years was greatly reduced, thanks mainly to the effect of non-taxable tax grants for energy and gas-intensive companies accrued in the year, as well as the effects of tax consolidation with the parent Finanziaria Valentini S.p.A..

The net profit adjusted of the net effects of the extraordinary item of the MICA payable/receivable written off, and the related tax impact of € 2.9 million, amounted to €5.572 million.

As mentioned above, capital expenditure in 2022 in property, plant and equipment amounted to € 9.2 million, carried out primarily by the Parent Company and referring to new plant and machinery, including the new impregnation line expected to be up and running in 2023, as well as to the improvement and efficiency of existing lines.

Equity amounted to € 77.3 million, up versus € 70.5 million at 31 December 2021, with a sharp improvement of € 6.8 million.

As a result of the effects of the trends in commodity markets, energy carrier prices and the conflict in Ukraine, the period from 1 January 2022 - 31 December 2022, versus the budget forecasts approved by the Board of Directors on 14 December 2021 saw a strong growth in Revenue, a slightly lower EBITDA but Net Profit in line with these forecasts. A point worth mentioning is that BEG contributed to this result, thanks to the positive trend in energy prices for a good part of the year. This condition partly mitigated the results of NDT and CDG, which, symmetrically and in spite of the tax receivables that go to energy and gas-intensive companies, were negatively affected by the mentioned energy cost trend.

Mention should be made that the Group has complied with the only existing covenant on a loan with a subsidiary.

COVID-19 CONTAINMENT MEASURES

The Group continued to comply with national pandemic containment rules and adopt the safety protocols on the health of workers and third parties, also managing a small number of non-severe COVID cases among employees. Where necessary, resort was made to smart working tools for personnel for whom this method can be effectively implemented, i.e. staff, given the manufacturing nature of Group companies. Safety protocols were regularly updated in order to comply with the current regulations.

IMPACTS FROM THE CONFLICT IN UKRAINE

Throughout 2022, the Company and the Group in general fully complied with the provisions of the warning notice issued by CONSOB on 7 March 2022 regarding restrictive measures adopted by the European Union in response to the Russian military aggression in Ukraine.

The Group's income and financial situation has been impacted by the continued Ukrainian-Russian conflict, due to the increase in the prices of electricity, gas and raw materials used, however, never experiencing reductions and/or unavailability of raw materials or curtailment of energy sources such as to impact production activities.

EVENTS AFTER THE REPORTING PERIOD

At end January 2023, Simest S.p.A. approved a loan to NDT for a total of € 1 million, of which € 0.4 million from the Integrated Promotion Fund (non-repayable co-financing) and the remainder at a subsidized rate.

With regard to the subsidiary BEG, Law Decree no. 198 of 29 December 2022 (in the State Gazette - General Series - no. 303 of 29 December 2022), coordinated with Conversion Law no. 14 of 24 February 2023 (in the State Gazette no. 49 of 27-2-2023) extended the recognition of the "maximization" system in favour of the Company by 12 months, until 31 March 2024. Mention should be made that this scheme, following ARERA (Energy Networks and Environment Regulatory Authority) Resolution 430/2022, was adopted for power generation plants powered by fuels other than Gas, following the so-called Ukraine Emergency Decree.

OUTLOOK FOR THE YEAR

As previously mentioned, the entire production chain in which NDT and CDG operate is still affected to some extent by the slowdown that started in mid-2022, and saw production stoppages during fourth quarter 2022 and the first two months of this year. Since the beginning of March, operations have gone back to normal, with an order backlog in line with previous levels (except for 2021, which had shown an atypically positive trend coming out of the pandemic), although some risk of partial production stoppage and margin restraint may still remain, owing to the awaited sharp retracement of raw material prices. This situation is expected to continue until at least mid-2023, indistinguishably affecting all of the Group's sales areas of operation. With regard also to the trend of energy carrier costs, their gradual downtrend will lead to their equally gradual transfer to sales prices charged to customers, given the high demand from customers to be able in turn to regain market shares through increased competitiveness on their sales prices.

No negative impacts are, instead, expected from the COVID-19 pandemic.

With regard to the continuing Russian-Ukrainian conflict, the Group keeps a constant watch over the impacts on the macroeconomic scenario as the availability of strategic raw materials and energy carriers is directly impacted by the conflict. That said, the risk of business interruption at the Group's three production plants appears to be low.

As for BEG, effective 19 September, 2022, a maximization scheme has been approved in favour of certain power plants that do not use gas, and that provides for the reintegration of revenue. This scheme is intended to encourage the maximization of energy production and has been extended until 31 March 2024 (by the so-called *Decreto Milleproroghe*). The determination of the grant resulting from the maximization scheme is based on the definition of recognized variable cost, the determination of which is still being discussed with ARERA.

Based on this legislation and certain hedges in the energy and fuel market effective on first quarter 2023, it is deemed that BEG can operate at cost-effective conditions for the whole of 2023. Additionally, a point worth mentioning is that the conditions for a possible regulatory change in the incentive system have been set.

On 6 November 2021, in fact, the Government passed the Legislative Decree - published in the State Gazette on 30.11 - which implements Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 (the so-called RED II Directive), under which the State, among other measures, is called to promote the continuity of operations of plants powered by renewable sources, once they have reached the end of the incentive period. Specifically, the Decree refers to the possibility of providing for special tariffs or supplements to revenue for plants which, due also to fuel costs, are unable to operate with the sole income deriving from participation in the electricity market. The Ministry of Environmental Transition ("MITE") is called to issue the Implementing Decree (the 180-day deadline from the publication of the Law in the State Gazette has expired), which has to deal with state aid regulations; to date, however, no action has been taken.

The Company has acted in conjunction with the trade association to put forward, as part of the implementation of the RED II Directive and the related implementing decrees, a proposal to modify the incentive framework for plants powered by domestic biofuels and functional to manufacturing companies which, if transposed, would provide for the:

- extension of the aid for bioliquid plants as described above until at least 2030;
- the introduction, in a manner similar to the provisions of articles 63, 64 and 65 of the ARERA Resolution no. 111/2006 for so-called essential plants for the electricity system, of a revenue reintegration scheme.

The above proposal has been delivered to MITE and is currently under review by the Ministry's technical bodies.

As a result of the above, the Company has not identified the presence of impairment indicators regarding the recoverability of the carrying amount of tangible fixed assets and has therefore not conducted an impairment test in accordance with the international accounting standard IAS 36.

Taking account of all the above considerations, in light of current events and as far as we can assess to date, the Group currently believes that it will be able to achieve the targets set in the budget prepared for 2023 and approved by the Board of Directors of Neodecortech S.p.A. on 6 December 2022.

AUTHORIZATION ON THE PURCHASE AND DISPOSAL OF TREASURY SHARES.

The Board of Directors resolved today to request the Ordinary Shareholders' Meeting to authorize the purchase and disposal of the Company's treasury shares, in one or more tranches, for a period of 18 months, up to a maximum amount such that, taking account of the ordinary shares of the Company from time to time held in the portfolio by the Company and its subsidiaries, the total number of ordinary NDT shares in portfolio as a result of each purchase shall not exceed 10% of the Company's share capital from time to time, pursuant to Article 2357, third paragraph, of the Italian Civil Code.

The purpose of the request for authorization to purchase and dispose of treasury shares, which is the object of proposal to the convening Shareholders' Meeting, is to enable the Company to purchase and dispose of ordinary shares, in strict compliance with current EU and national regulations, for the following purposes:

- (i) to undertake any investments, directly or through intermediaries, including for the purpose of containing abnormal movements in share prices, stabilizing share trading and prices, supporting the liquidity of the share on the market, in order to foster the regular conduct of trading beyond normal fluctuations related to market performance, without prejudice in any case to compliance with applicable statutory provisions;
- (ii) for storage and subsequent use (so-called "shares stock"), including: consideration in extraordinary transactions, including exchange or sale of equity investments, to be carried out by exchange, contribution or other act of disposal and/or use, with other parties, including allocation to service bonds convertible into shares of the Company or bonds with warrants;
- (iii) for use to service remuneration and incentive plans based on financial instruments intended for directors and employees of the Company and/or companies directly or indirectly controlled by it, either through the free grant of purchase options or through the free allocation of shares (so-called stock option and stock grant plans) pursuant to Article 114-bis of Legislative Decree no. 58 of 24 February 1998 (TUF), as well as plans for the free allocation of shares to shareholders.

With regard to the duration, the proposal approved by today's meeting of the Board of Directors envisages that:

- (i) the authorization for the purchase of treasury shares be granted for a period of 18 months from the date on which the Shareholders' Meeting adopts the relating resolution;
- (ii) on the other hand, authorization for the disposal and/or use of any treasury shares purchased is requested without time limits, due to the expediency of giving the Board of Directors the power to identify with maximum flexibility the most suitable time to proceed with the disposal of the treasury shares purchased.

With regard to the consideration, instead, the proposal approved by today's meeting of the Board of Directors envisages that

- (i) treasury shares may be purchased, in accordance with applicable laws and regulations:
 - (a) at a minimum price no lower than the closing price that the share will have recorded in the stock exchange session on the day prior to the completion of each individual trade, less 10%;
 - (b) at a maximum price no higher than the closing price that the share will have recorded in the trading

session on the day prior to the completion of each individual trade, increased by 10%.

- (ii) as for the disposal (sale) of treasury shares, this may be carried 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 assignment of shares to shareholders free of charge.

The maximum outlay for the purchase of treasury shares may not exceed the amount of distributable profits and available reserves resulting from the most recent duly approved financial statements and amounting, with regard to the draft financial statements at 31 December 2022, to € 30.99 thousand and € 8.437 thousand, respectively.

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 that may be approved by the Shareholders' Meeting, it being understood that the transactions shall be carried out in compliance with the applicable legal provisions, including those of the Regulation adopted by CONSOB resolution no. 11971/1999, Regulation (EU) no. 596/2014, and EU Delegated Regulation 2016/1052, as well as in accordance with market practices, from time to time permitted under current regulations.

Lastly, mention should be made that NDT's share capital amounts to € 18,804,209.37 and is divided into 14,218,021 ordinary shares with no indication of their par value; as at today's date, (i) the Company holds no. 123,000 treasury shares (equal to 0.86% of the share capital), while (ii) the subsidiaries do not hold any Company shares.

ALTERNATIVE PERFORMANCE MEASURES

The definition of the main APMs used by the 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 NET PROFIT: a measure used by Management to strip net profit of the effect of non-recurring cost and revenue components;
- OPERATING WORKING CAPITAL, NET WORKING CAPITAL, FIXED ASSETS and NET INVESTED CAPITAL: they 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.

The Financial Reporting Manager, Marina Fumagalli, 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.

Notice is hereby given that the financial statements and the consolidated financial statements for the year ended 31 December 2022 approved by the Board of Directors today, as well as additional documents approved by the Board of Directors and related to the Shareholders' Meeting to be convened on 27 April 2023, in single call, will be published, in accordance with current regulations, at the registered office and will be available on the Company website at www.neodecortech.it and at the authorized storage mechanism www.1info.it, within the time limits set forth by the relevant laws, together with the results of the audit currently underway .

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 and the consolidated financial statements of the Group, the audit of which is still awaiting completion by BDO Italia S.p.A..

CONSOLIDATED INCOME STATEMENT AT 31 DECEMBER 2022

(Euro thousands)	31 DECEMBER 2022	%	31 DECEMBER 2021	%	Chg.	% change
Revenue from sales and services	196,474	100.0%	176,429	100.0%	20,045	11.4%
Changes in work in progress, semi-finished and finished products	3,044	1.5%	255	0.1%	2,789	1093.7%
Other revenue	7,822	4.0%	2,595	1.5%	5,227	201.4%
Value of Production	207,340	105.5%	179,279	101.6%	28,061	15.7%
Raw and ancillary materials and consum.	(136,540)	(69.5%)	(114,201)	(64.7%)	(22,339)	19.6%
Other operating expense	(33,813)	(17.2%)	(25,111)	(14.2%)	(8,702)	34.7%
Value Added	36,987	18.8%	39,967	22.7%	(2,980)	(7.5%)
Personnel expense	(20,996)	(10.7%)	(21,821)	(12.4%)	825	(3.8%)
EBITDA	15,991	8.1%	18,146	10.3%	(2,155)	(11.9%)
Amortization and depreciation	(9,759)	(5.0%)	(8,839)	(5.0%)	(920)	10.4%
Allocations	(128)	(0.1%)	(81)	(0.0%)	(47)	58.0%
EBIT	6,104	3.1%	9,226	5.2%	(3,122)	(33.8%)
Financial expense	(2,371)	(1.2%)	(1,333)	(0.8%)	(1,038)	77.9%
Financial income	5,506	2.8%	124	0.1%	5,382	4340.3%
Profit/(loss) before tax	9,239	4.7%	8,017	4.5%	1,222	15.2%
Income tax	(802)	(0.4%)	(1,328)	(0.8%)	526	(39.6%)
Profit/(loss) for the period	8,437	4.3%	6,688	3.8%	1,749	26.2%

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2022

Assets	31 DECEMBER 2022	%	31 DECEMBER 2021	%	Chg.	% change
<i>(Euro thousands)</i>						
Intangible assets	827	0.5%	1,551	0.9%	(724)	(46.7%)
Tangible assets	78,617	46.6%	78,561	46.5%	56	0.1%
Equity investments	100	0.1%	-	0.0%	100	0.0%
Other non-current assets	528	0.3%	19	0.0%	509	2678.9%
Non-current financial receivables	445	0.3%	1,757	1.0%	(1,312)	(74.7%)
Deferred tax assets	1,682	1.0%	1,985	1.2%	(303)	(15.3%)
Non-current assets	82,199	48.7%	83,873	49.6%	(1,674)	(2.0%)
Inventory	43,550	25.8%	40,603	24.0%	2,947	7.3%
Trade receivables	23,836	14.1%	26,632	15.7%	(2,796)	(10.5%)
Receivables from tax consolidation	813	0.5%	1,129	0.7%	(316)	(28.0%)
Tax receivables	5,043	3.0%	2,299	1.4%	2,744	119.4%
Current financial receivables	-	0.0%	-	0.0%	-	0.0%
Other current receivables	1,269	0.8%	1,084	0.6%	185	17.1%
Cash funds	12,043	7.1%	13,491	8.0%	(1,448)	(10.7%)
Current assets	86,554	51.3%	85,238	50.4%	1,316	1.5%
Total assets	168,753	100.0%	169,111	100.0%	(358)	(0.2%)
Equity and liabilities	31 DECEMBER 2022	%	31 DECEMBER 2021	%	Chg.	% change
<i>(Euro thousands)</i>						
Share capital	18,804	11.1%	18,804	11.1%	0	0.0%
Share premium reserve	18,864	11.2%	18,864	11.2%	0	0.0%
Other reserves	24,968	14.8%	17,348	10.3%	7,620	43.9%
Prior years' profit (loss)	6,201	3.7%	8,761	5.2%	(2,560)	(29.2%)
Profit (loss) for the period	8,437	5.0%	6,688	4.0%	1,749	26.2%
Equity	77,274	45.8%	70,465	41.7%	6,809	9.7%
Provisions for risks and charges	774	0.5%	977	0.6%	(203)	(20.8%)
Deferred tax	6,304	3.7%	6,150	3.6%	154	2.5%
Post-employment benefits	2,131	1.3%	2,587	1.5%	(456)	(17.6%)
Non-current financial liabilities	22,095	13.1%	23,220	13.7%	(1,125)	(4.8%)
Non-current liabilities	31,304	18.6%	32,934	19.5%	(1,630)	(4.9%)
Trade payables	33,693	20.0%	39,832	23.6%	(6,139)	(15.4%)
Payables from tax consolidation	469	0.3%	816	0.5%	(347)	(42.5%)
Tax payables	703	0.4%	773	0.5%	(70)	(9.1%)
Current financial liabilities	20,682	12.3%	19,616	11.6%	1,066	5.4%
Other current payables	4,628	2.7%	4,674	2.8%	(46)	(1.0%)
Current liabilities	60,175	35.7%	65,711	38.9%	(5,536)	(8.4%)
Total equity and liabilities	168,753	100.0%	169,111	100.0%	(358)	(0.2%)

RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2022

(Euro thousands)	31 DECEMBER 2022	31 DECEMBER 2021	Chg.	% change
Trade receivables	23,836	26,632	(2,796)	(10.5%)
Inventory	43,550	40,603	2,947	7.3%
Trade payables	(33,694)	(39,833)	6,139	(15.4%)
Operating NWC	33,692	27,402	6,290	23.0%
Other current receivables	1,269	1,084	185	17.1%
RECEIVABLES FROM TAX CONSOLIDATION	813	1,129	(316)	(28.0%)
Tax receivables	5,043	2,299	2,744	119.4%
Other current payables	(4,625)	(4,673)	48	(1.0%)
Tax payables	(703)	(773)	70	(9.1%)
Payables from tax consolidation	(469)	(816)	347	(42.5%)
Net Working Capital	35,020	25,652	9,368	36.5%
Property, plant and equipment	78,617	78,561	56	0.1%
Intangible fixed assets	827	1,551	(724)	(46.7%)
Non-current financial assets	892	1,757	(865)	(49.2%)
Other non-current assets	180	19	161	847.4%
Fixed assets	80,516	81,888	(1,372)	(1.7%)
Post-employment benefits	(2,131)	(2,587)	456	(17.6%)
Provisions for risks and charges	(774)	(977)	203	(20.8%)
Deferred tax assets and liabilities	(4,622)	(4,166)	(456)	10.9%
Net Capital Employed	108,009	99,811	8,198	8.2%
Equity	77,274	70,465	6,809	9.7%
Cash funds	(12,042)	(13,491)	1,449	(10.7%)
Other current financial receivables	-	-	-	0.0%
Current financial liabilities	20,683	19,616	1,067	5.4%
Non-current financial liabilities	22,094	23,220	(1,126)	(4.8%)
Net Financial Debt	30,735	29,345	1,390	4.7%
Equity and Net Financial Debt	108,009	99,811	8,198	8.2%

CONSOLIDATED STATEMENT OF CASH FLOWS AT 31 DECEMBER 2022

<i>(Euro thousands)</i>	31 DECEMBER 2022	31 DECEMBER 2021
Profit (loss) for the period	8,437	6,688
Income tax	559	1,319
Deferred/(prepaid) tax	243	8
Interest expense/(interest income)	(3,136)	1,432
(Gains)/losses from disposal of assets	21	(280)
1 Profit (loss) for the year before income tax, interest, dividends and gains/losses from disposal	6,124	9,168
Adjustments for non-items that had no balancing entry in net working capital:		
Allocation to post-employment benefits	191	87
Allocations to other provisions	326	267
Amortization and depreciation of fixed assets	9,759	8,839
Other adjustments for non-monetary items	76	(918)
2 Cash flow before changes in NWC	16,476	17,443
Changes in net working capital:		
Decrease/(increase) in receivables from customers	2,740	(7,666)
Decrease/(increase) in inventory	(3,044)	(3,839)
Increase/(decrease) in payables to suppliers	(6,139)	14,262
Decrease/(increase) in other receivables	(2,324)	(536)
Increase/(decrease) in other payables	(310)	(95)
3 Cash flow after changes in NWC	7,399	19,570
Other adjustments:		
Interest received/(paid)	(770)	(690)
(Income tax paid)	(391)	(181)
(Utilization of provisions)	(465)	(562)
(Utilization of provisions for post-employment benefits)	(166)	(184)
4 Cash flow after other adjustments	5,607	17,952
A Cash flow from operations	5,607	17,952
<i>Property, plant and equipment</i>	(8,950)	(9,442)
(Purchase)	(8,950)	(9,451)
Disposal	0	10
<i>Intangible fixed assets</i>	(239)	(297)
(Purchase)	(239)	(297)
Disposal	0	0
<i>Financial fixed assets</i>	(100)	76
(Purchase)	(100)	0
Disposal	0	76
<i>Current financial assets</i>	0	0
(Purchase)	0	0
disposal	0	0
<i>Proceeds from disposal of assets</i>	(20)	280
B Cash flow from investing activities	(9,309)	(9,383)
Liabilities	4,560	(4,603)

Increase (decrease) in short-term bank payables	(753)	992
New loans	12,500	360
Repayment of loan	(5,077)	(4,221)
Financial liabilities to other lenders	(2,110)	(1,861)
Change in financial receivables from other lenders	0	127
Equity	(2,307)	1,989
Share capital increase	0	2,811
Sale (purchase) of treasury shares	(329)	384
Other changes in equity	(1,978)	(1,206)
C Cash flow from financing activities	2,253	(2,614)
Increase (decrease) in cash funds (A ± B ± C)	(1,449)	5,955
Cash funds at 1 January 2022	13,491	7,536
Cash funds at 31 December 2022	12,042	13,491

NEODECORTECH S.P.A. INCOME STATEMENT AT 31 DECEMBER 2022

<i>(Euro thousands)</i>	31 DECEMBER 2022	%	31 DECEMBER 2021	%	Chg.	% change
Revenue from sales and services	75,448	100.0%	76,940	100.0%	(1,492)	(1.9%)
Changes in work in progress, semi-finished and finished products	(136)	(0.2%)	(487)	(0.6%)	351	(72.0%)
Other revenue	2,309	3.1%	1,409	1.8%	900	63.9%
Value of Production	77,621	102.9%	77,862	101.2%	(241)	(0.3%)
Raw and ancillary materials and consum.	(47,994)	(63.6%)	(46,149)	(60.0%)	(1,845)	4.0%
Other operating expense	(13,157)	(17.4%)	(11,626)	(15.1%)	(1,531)	13.2%
Value Added	16,470	21.8%	20,087	26.1%	(3,617)	(18.0%)
Personnel expense	(11,236)	(14.9%)	(11,847)	(15.4%)	611	(5.2%)
EBITDA	5,234	6.9%	8,239	10.7%	(3,005)	(36.5%)
Amortization and depreciation	(3,450)	(4.6%)	(3,384)	(4.4%)	(66)	1.9%
Allocations	(128)	(0.2%)	(81)	(0.1%)	(47)	58.0%
EBIT	1,656	2.2%	4,774	6.2%	(3,118)	(65.3%)
Financial expense	(1,599)	(2.1%)	(434)	(0.6%)	(1,165)	268.4%
Financial income	8,926	11.8%	3,102	4.0%	5,824	187.8%
Profit/(loss) before tax	8,983	11.9%	7,441	9.7%	1,542	20.7%
Income tax	(546)	(0.7%)	(753)	(1.0%)	207	(27.6%)
Profit/(loss) for the period	8,437	11.2%	6,688	8.7%	1,749	26.2%

NEODECORTECH S.P.A. STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2022

Assets	31 DECEMBER 2022	%	31 DECEMBER 2021	%	Chg.	% change
<i>(Euro thousands)</i>						
Intangible assets	589	0.6%	651	0.6%	(62)	(9.5%)
Tangible assets	31,579	30.7%	30,878	29.3%	701	2.3%
Equity investments	37,129	36.1%	33,345	31.7%	3,784	11.3%
Other non-current assets	161	0.2%	7	0.0%	154	2142.7%
Non-current financial receivables	7,814	7.6%	10,363	9.8%	(2,549)	(24.6%)
Deferred tax assets	416	0.4%	507	0.5%	(91)	(17.9%)
Non-current assets	77,688	75.5%	75,751	71.9%	1,937	2.6%
Inventory	8,238	8.0%	8,232	7.8%	6	0.1%
Trade receivables	8,878	8.6%	10,249	9.7%	(1,371)	(13.4%)
Receivables from tax consolidation	-	0.0%	-	0.0%	-	0.0%
Tax receivables	1,314	1.3%	257	0.2%	1,057	410.7%
Current financial receivables	3,560	3.5%	1,560	1.5%	2,000	128.2%
Other current receivables	212	0.2%	120	0.1%	92	75.9%
Cash funds	3,051	3.0%	9,152	8.7%	(6,101)	(66.7%)
Current assets	25,253	24.5%	29,571	28.1%	(4,318)	(14.6%)
Total assets	102,941	100.0%	105,322	100.0%	(2,381)	(2.3%)

Equity and liabilities	31 DECEMBER 2022	%	31 DECEMBER 2021	%	Chg.	% change
<i>(Euro thousands)</i>						
Share capital	18,804	18.3%	18,804	17.9%	-	0.0%
Share premium reserve	18,864	18.3%	18,864	17.9%	-	0.0%
Treasury shares	-468	-0.5%	-140	-0.1%	(328)	235.3%
Other reserves	22,876	22.2%	17,488	16.6%	5,388	30.8%
Prior years' profit (loss)	8,761	8.5%	8,761	8.3%	-	0.0%
Profit (loss) for the period	8,437	8.2%	6,688	6.4%	1,749	26.2%
Equity	77,274	75.1%	70,465	66.9%	6,809	9.7%
Provisions for risks and charges	211	0.2%	382	0.4%	(171)	-44.8%
Deferred tax	2,446	2.4%	2,361	2.2%	84	3.6%
Post-employment benefits	746	0.7%	1,003	1.0%	(257)	-25.6%
Non-current financial liabilities	7,501	7.3%	14,468	13.7%	(6,967)	-48.2%
Non-current liabilities	10,904	10.6%	18,214	17.3%	(7,310)	-40.1%
Trade payables	8,008	7.8%	10,455	9.9%	(2,447)	-23.4%
Payables from tax consolidation	469	0.5%	466	0.4%	3	0.6%
Tax payables	379	0.4%	347	0.3%	32	9.1%
Current financial liabilities	2,810	2.7%	2,142	2.0%	668	31.2%
Other current payables	3,097	3.0%	3,231	3.1%	(134)	-4.2%
Current liabilities	14,763	14.3%	16,642	15.8%	(1,879)	-11.3%
Total equity and liabilities	102,941	100.0%	105,322	100.0%	(2,381)	-2.3%

NEODECORTECH S.P.A. RECLASSIFIED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2022

(Euro thousands)	31 DECEMBER 2022	31 DECEMBER 2021	Chg.	% change
Trade receivables	8,876	10,248	(1,372)	(13.4%)
Trade receivables - intercompany	2	1	1	100.0%
Inventory	8,238	8,232	6	0.1%
Trade payables	(8,008)	(10,444)	2,436	(23.3%)
Trade payables - Intercompany	-	(12)	(12)	(100.0%)
Operating NWC	9,108	8,025	1,083	13.5%
Other current receivables	212	120	92	75.9%
RECEIVABLES FROM TAX CONSOLIDATION	-	-	-	0.0%
Tax receivables	1,314	281	1,033	367.4%
Other current payables	(3,097)	(3,230)	133	(4.1%)
Tax payables	(379)	(347)	(32)	9.1%
Payables from tax consolidation	(469)	(466)	(3)	0.6%
Net Working Capital	6,689	4,382	2,307	52.6%
Property, plant and equipment	31,579	30,878	701	2.3%
Intangible fixed assets	589	651	(62)	(9.5%)
Financial fixed assets	37,129	33,344	3,785	11.4%
Non-current financial assets	348	1,312	(964)	(77.48%)
Non-current financial assets - IC	7,466	9,027	(1,561)	(17.29%)
Other non-current assets	161	7	154	2200.0%
Fixed assets	77,272	75,219	2,053	2.7%
Post-employment benefits	(746)	(1,003)	257	(25.6%)
Provisions for risks and charges	(211)	(382)	171	(44.8%)
Deferred tax assets and liabilities	(2,030)	(1,854)	(176)	9.5%
Net Capital Employed	80,974	76,363	4,611	6.0%
Equity	77,274	70,465	6,809	9.7%
Cash funds	(3,051)	(9,152)	6,101	(66.7%)
Other current financial receivables	-	-	-	0.0%
Other current financial receivables IC	(3,560)	(1,560)	(2,000)	128.2%
Current financial liabilities to banks	2,735	2,128	607	28.5%
Current financial liabilities to other lenders	75	14	61	433.0%
Current financial liabilities IC	-	-	-	0.0%
Non-current financial liabilities to banks	7,220	9,354	(2,134)	(22.8%)
Non-current financial liabilities IC	-	-	-	0.0%
Non-current financial liabilities to other lenders	281	5,114	(4,833)	(94.5%)
Net Financial Debt	3,700	5,898	(2,198)	(37.3%)
Equity and Net Financial Debt	80,974	76,363	4,611	6.0%

NEODECORTECH S.P.A. STATEMENT OF CASH FLOWS AT 31 DECEMBER 2022

<i>(Euro thousands)</i>	31 DECEMBER 2022	31 DECEMBER 2021
Profit (loss) for the period	8,437	6,688
Income tax	532	724
Deferred/(prepaid) tax	13	29
Interest expense/(interest income)	(3,802)	(25)
(Dividends received)	0	0
(Gains)/losses from disposal of assets	21	(280)
1 Profit (loss) for the year before income tax, interest, dividends and gains/losses from disposal	5,201	7,137
Adjustments for non-items that had no balancing entry in net working capital:		
Allocation to post-employment benefits	67	33
Allocations to other provisions	326	267
Amortization and depreciation of fixed assets	3,450	3,384
Other adjustments for non-monetary items	(3,842)	(3,052)
2 Cash flow before changes in NWC	5,202	7,769
Changes in net working capital		
Decrease/(increase) in receivables from customers	1,317	(3,254)
Decrease/(increase) in receivables from customers - Intercompany	(1)	0
Decrease/(increase) in inventory	(15)	232
Increase/(decrease) in payables to suppliers	(2,435)	1,204
Increase/(decrease) in payables to suppliers - Intercompany	(12)	10
Decrease/(increase) in other receivables	(1,057)	78
Increase/(decrease) in other payables	(15)	155
Other changes in net working capital	0	0
3 Cash flow after changes in NWC	2,984	8,249
Other adjustments	0	0
Interest received/(paid)	109	210
(Income tax paid)	(70)	(22)
(Gains)/losses from disposal of assets	0	0
Dividends received	0	0
(Utilization of provisions)	(433)	(445)
(Utilization of provisions for post-employment benefits)	(143)	(128)
4 Cash flow after other adjustments	2,447	7,864
A Cash flow from operations	2,447	7,864
<i>Property, plant and equipment</i>	(3,905)	(4,812)
(Purchase)	(3,905)	(4,822)
Disposal	0	10
<i>Intangible fixed assets</i>	(223)	(280)
(Purchase)	(223)	(280)
Disposal	0	0
<i>Financial fixed assets</i>	(100)	1
(Purchase)	(100)	0
Disposal	0	1
<i>Current financial assets</i>	0	0

(Purchase)	0	0
disposal	0	0
<i>Proceeds from disposal of assets</i>	(21)	280
B Cash flow from investing activities	(4,249)	(4,811)
Liabilities	(1,992)	(1,057)
Increase (decrease) in short-term bank payables	8	(2)
New loans	1,000	0
Repayment of loan	(2,560)	(2,815)
Financial liabilities to other lenders	0	(303)
Change in financial receivables from other lenders	0	128
Change in financial receivables - Intercompany	(440)	1,935
Equity	(2,307)	1,989
Share capital increase	0	2,811
Sale (purchase) of treasury shares	(329)	384
Other changes in equity	(1,978)	(1,206)
C Cash flow from financing activities	(4,299)	932
Increase (decrease) in cash funds (A ± B ± C)	(6,101)	3,985
Cash and cash equivalents at 1 January	9,152	5,167
Cash and cash equivalents at 31 December	3,051	9,152

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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