

Seri Industrial S.p.A. Growth of Revenues of 29,3% in the first nine months compared to 2020

S. Potito Sannitico, 28 October 2021 - Today the Board of Directors of Seri Industrial S.p.A. ("**Seri Industrial**" or the "**Company**") has examined and approved consolidated revenues of Seri Industrial and its subsidiaries (the "**Group**") for the third quarter of 2021.

As follows the business revenues and other operating revenues trend (hereinafter, together, "**Revenues**"). If not separately indicated, values are reported in thousands of Euro; year to date ("ytd") means the cumulative progressive data.

	III Q-2021 ytd	III Q-2020 ytd	Variation	Variation %
Business Revenues	110.640	87.861	22.779	25,9%
Other operating revenues	6.770	2.918	3.852	132,0%
Total	117.410	90.779	26.631	29,3%

At 30 September 2021, the Group has registered Revenues for Euro 117.410 thousand, with a +29,3% growth compared to the same period of 2020 (Euro 90,779 thousand) and +6,4% compared to the first nine months of 2019 (Euro 110,340 thousand), in the period before the Covid-19 emergency.

Without considering the negative variation of Revenues related to *smelter* products (recovery of end of life lead-acid batteries, as indicated in the paragraph "Electric Accumulator Business Unit"), due to a plant shutdown during the first four months of the year, the Group has registered Revenues with an increase of +35,0% compared to the same period of 2020.

As follows, a breakdown of Revenues by business unit for the first nine months and the third quarter of 2021 compared to the same period of the previous year.

	III Q 2021 ytd	III Q 2020 ytd	Δ	Δ%	III Q 2021	III Q 2020	Δ	Δ%
<u>Business revenues</u>								
Plastic Materials	72.261	50.364	21.897	43,5%	23.023	19.999	3.024	15,1%
Electric Accumulators	38.316	37.427	889	2,4%	11.720	13.736	(2.016)	(14,7%)
Corporate	63	70	(7)	(10,0%)	21	18	3	16,7%
Total Business Revenues	110.640	87.861	22.779	25,9%	34.764	33.753	1.011	3,0%
<u>Other operating revenues</u>								
Plastic Materials	1.723	1.613	110	6,8%	397	1.031	(634)	(61,5%)
Electric Accumulators	5.039	1.234	3.805	308,3%	1.331	390	941	241,3%
Corporate	8	20	(12)	(60,0%)	3	0	3	100,0%
Other	0	51	(51)	(100,0%)	0	0	0	0,0%
Total operating revenues	6.770	2.918	3.852	132,0%	1.731	1.421	310	21,8%
Total	117.410	90.779	26.631	29,3%	36.495	35.174	1.321	3,8%

As follows, the geographical breakdown of Revenues for the third quarter of 2021, compared to Revenues registered in the same period of 2020.

	III Q-2021 ytd	%	III Q-2020 ytd	%
Italy	62.365	53%	45.436	50,0%
Europe	45.905	39%	35.094	38,7%
Asia	6.190	5%	7.380	8,1%
Africa	1.578	1%	1.462	1,6%
America	1.119	1%	1.330	1,5%
Oceania	253	0%	77	0,1%
Total	117.410	100%	90.779	100,0%

Plastic Materials Business Unit



As follows Revenues compared to the same period in 2020 related to Plastic Materials business unit (aggregate data not including intercompany eliminations):

	III Q-2021 ytd	III Q-2020 ytd	Variation	Variation%
Business revenues	72.985	51.020	21.965	43,1%
Other operating revenues	1.814	1.722	92	5,3%
Total	74.799	52.742	22.057	41,8%

In the third quarter of 2021 the business unit has registered **an increase of Revenues of 41,8%** compared to the same period in 2020 (+ Euro 22.057 thousand). The positive performance has been equally registered between all the business lines: (i) compound, (ii) pipes and fittings, (iii) boxes and lids.

During 2021 Revenues grew of 7,8% compared to 30 September 2019 (pre-emergence from Covid-19).

As follows Revenues for the third quarter of 2021 compared to the same period of 2020:

	III Q-2021	III Q-2020	Variation	Variation %
Business revenues	23.216	20.233	2.983	14,7%
Other operating revenues	422	1.018	(596)	(58,5%)
Total	23.638	21.251	2.387	11,2%

Business revenues in third quarter 2021 increased by Euro 2.983 thousand (+ 14,7%) and Revenues by 11,2%, although, as a comparison, there was a significant recovery in demand in Q3 2020 following the removal of the lockdown measures.

Electric Accumulators Business Unit



As follows Revenues compared to the same period in 2020 related to the electric accumulators business unit (aggregate data not including intercompany eliminations):

	III Q-2021 ytd	III Q-2020 ytd	Variation	Variation %
Business revenues	38.519	37.788	731	1,9%
Other operating revenues	5.045	1.265	3.780	298,8%
Total	43.564	39.053	4.511	11,6%

In the third quarter of 2021 the business unit has registered an increase of Revenues of 11,6% compared to the same period in 2020 (+ Euro 4.511 thousand), considering a reduction of Revenues related to *smelter* products (recovery of end of life lead acid batteries) of 51,7% (- Euro 3.159 thousand), due to an extraordinary and non-recurring plant shutdown. The *smelter* recovered part of the lost production and expects to fully recover in the following quarter. Without considering the impact of the smelter, the growth in revenues from electric accumulators is 23,3%.

Other operating revenues mainly relates to non-repayable grants and grants for research and development, and tax credits.

During 2021 Revenues grew of 5,4% compared to 30 September 2019 (pre-Covid 19 emergency).

As follows Revenues for the third quarter of 2021 compared to the same period of 2020:

	III Q-2021	III Q-2020	Variation	Variation %
Business revenues	11.790	13.822	(2.032)	(14,7%)
Other operating revenues	1.330	402	928	230,8%
Total	13.120	14.224	(1.104)	(7,8%)

Without considering the negative variation of Revenues related to *smelter* products, revenues variation from electric accumulators decreased by 1,9%.

It should be noted that during the third quarter 2020, the Electric accumulators business unit recorded a significant increase in Revenues, following the removal of lockdown measures, generating a particularly positive effect in a period (July-September) where market demand is usually lower (especially in August).

Other information

Information pursuant to art. 114, paragraph 5, of Legislative Decree n.58/1998

On 28 July 2021, Consob has communicated the elimination of the disclosure obligations on monthly basis pursuant to art.114, paragraph 4, Legislative Decree no. 58/59. The obligation to provide supplementary information, pursuant to the aforementioned rule, remains in place with respect to annual and half-yearly financial reports and interim management statements. It should be noted that the fulfilment of the obligation concerning the additional information to be reported, with reference to the first and third quarter of each financial year, is fulfilled with the publication of this press release which contains information published on a voluntary basis.

In view of the above, the following information is provided on:

a) the net financial position of the Company and of the Group, showing the short-term components separately from the medium/long-term components as of 30 September 2021 compared with the same information as published in the consolidated half year report as of 30 June 2021

	STATEMENT OF NET FINANCIAL POSITION	Seri Industrial S.p.A.		Seri Industrial Group	
		sep-21	jun-21	sep-21	jun-21
A)	Cash	2.163	1.721	3.379	2.547
B)	Cash and cash equivalents	29.854	31.045	2.269	2.342
	<i>Of which with related parties</i>	<i>29.630</i>	<i>30.744</i>	<i>578</i>	<i>578</i>
C)	Securities held for trading	516	512	516	512
D)	Liquidity C = (A + B + C)	32.533	33.278	6.164	5.401
E)	Short-term bank debts (including debt instruments, but excluding the short-term portion of long-term financial debt)	16.498	20.158	34.204	38.126
	<i>Of which with related parties</i>	<i>16.483</i>	<i>20.143</i>	<i>4.880</i>	<i>4.874</i>
F)	Short-term portion of long-term financial debt	2.192	150	10.486	8.369
G)	Short-term financial Debt G = (E + F)	18.690	20.308	44.690	46.495
H)	Short-term Net Debt H = (G - D)	(13.843)	(12.970)	38.526	41.094
I)	Long-term bank debt (excluding short-term part and debt instruments)	31.925	30.000	38.625	32.100
K)	Payables and other long-term debts	200	222	29.755	31.011
	<i>Of which with related parties</i>	<i>144</i>	<i>163</i>	<i>14.946</i>	<i>16.031</i>
L)	Long-term financial debt L = (I + J + K)	32.125	30.222	68.380	63.111
M)	Total Net Financial Position (H+L)	18.282	17.252	106.906	104.205
N)	Debt adjustment IFRS 16	287	308	22.521	23.797
O)	Net Adjusted Financial Position	17.995	16.944	84.385	80.408

b) the overdue debt positions of the Company and the Group, broken down by nature (financial, commercial, tax, social security and towards employees) and any related creditor initiatives (reminders, injunctions, suspension of supplies, etc.)

Nature of debt	Seri Industrial S.p.A.		Seri Industrial Group	
	sep-21	jun-21	sep-21	jun-21
Trade payables	757	892	14.729	13.782
Tax payables	40	40	314	305
Other payables	0	2	505	594

At 30 September 2021, orders for payment amount to Euro 501 thousand with a decrease of Euro 52 thousand compared to 30 June 2021.

c) the main changes in the Company's and the Group's related party transactions since the last approved financial report and pursuant to Article 154-ter of the TUF

During the last quarter, there were no significant changes in the nature of the Company's and the Group's related party transactions. For further information on the nature of existing transactions, please refer to the half-yearly financial report as at 30 June 2021, available on the Company's website, with particular reference to existing real estate lease transactions and the issue of guarantees. Please refer to the same document for information on ordinary transactions of major significance concluded at conditions equivalent to market or standard conditions during the period, pursuant to Article 13 of Consob Regulation no. 17221/2010 and the RPT Procedure most recently updated on 28 June 2021.

As follows the table that summarizes the balances as at 30 September 2021 of the Group's balance sheet items:

Related party transactions Seri Industrial Group	sep-21		jun-21	
	Credits	Debts	Credits	Debts
Elektra Srl	67	221	46	98
Industrial SpA	3.557	548	3.555	594
Pmimmobiliare Srl	1.377	1.678	1.373	1.970
SE.R.I. SpA	5.003	4.388	4.915	4.150
Seri Development & Real Estate Srl	15	250	12	290
Others	96	304	84	204
Total	10.115	7.390	9.985	7.307

In accordance with IFRS 16, the following payables are recognized in respect of existing lease agreements, mainly relating to the Group's production sites:

Financial payables under IFRS 16	sep-21	jun-21
Azienda Agricola Quercete a rl	216	233
Pmimmobiliare Srl	19.080	20.142

d) any failure to comply with covenants, *negative pledges* and any other clause in the Group's indebtedness that imposes limits on the use of financial resources, with an indication of the degree of compliance with such clauses at the updated date.

There is nothing to report.

e) the state of implementation of any business and financial plans, with evidence of deviations from the actual figures compared to the forecast figures

Compared to what management envisaged in the 2021-2025 Business Plan, the result, in terms of revenues, is substantially in line with budget for the business as is (lead acid batteries and plastic material).

Regarding to the Teverola plant, which was tested in March of this year, it should be noted that, once the fine-tuning of the production process has been definitively completed, in order to guarantee the specifications and quality of the product, production of the anode and cathode and of the cells has been definitively started, the cell-formation area is not yet at full production capacity, for which the work of the Japanese supplier is under finalization with considerable delays. Only in November will it be possible to form the cells currently in stock and then proceed with the assembly of modules and batteries for our customers. The production value estimated for the end of the year will be lower than what expected at the beginning of the year. Finally, it should be noted that market demand is significantly higher than forecast for all the plant's product lines.

On 18 October 2012, pursuant to Article 3 of Consob Resolution No. 18079 of 20 January 2012, the Company made the choice provided for by Articles 70, paragraph 8 and 71, paragraph 1-bis, of Consob Regulation No. 11971/99, with a derogation from the obligation to make available to the public an information document in the event of significant mergers, spin-offs, capital increases through the contribution of assets in kind, acquisitions and disposals.

The manager responsible for the preparation of the company's accounting documents, Pasquale Basile, declares, pursuant to Article 154-bis, paragraph 2, of Legislative Decree no. 58/1998, that the information contained in this press release corresponds to the documentary results, books and accounting records.

Seri Industrial S.p.A. is a company listed on the EXM market of Borsa Italiana. Seri Industrial's mission is to accelerate the energy transition to sustainability and decarbonisation.

The Group operates through two companies: (i) Seri Plast, active in the processing of plastic materials for the battery market, automotive and thermo-sanitary sector; (ii) FIB, active, through the FAAM brand, in the production and recycling of lead and lithium batteries for traction, industrial, storage and military applications, as well as in the design of plants for the recycling of batteries.

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