

SERI INDUSTRIAL S.p.A. BOARD OF DIRECTORS APPROVES RESULTS AS OF JUNE 2023

S. Potito Sannitico, 21 September 2023 - The Board of Directors of **SERI Industrial S.p.A.** (the '**Company**', together with its subsidiaries, the '**Group**') has examined and approved the consolidated half-year financial statements as of June 30, 2023.

The following tables illustrate the key figures of the Group's consolidated half-year financial statements as of June 30, 2023:

Consolidated Financial Statements Highlights

Economic results

<i>Euro / 000</i>	30/06/2023	30/06/2022	Variation	Change %
Revenues, income and internal works	95,869	101,477	(5,608)	(6%)
Gross Operating Income - EBITDA	6,855	8,855	(2,000)	(23%)
Adjusted Gross Operating Income - Adjusted EBITDA	7,154	9,071	(1,917)	(21%)
Depreciation and amortisation	12,287	10,826	1,461	13%
Write-downs/write-backs	1,253	(39)	1,292	>100%
Net Operating Income (Loss) - EBIT	(6,685)	(1,932)	(4,753)	>100%
Adjusted Net Operating Income - adjusted EBIT	(6,126)	(1,716)	(4,410)	>100%
Consolidated Profit (Loss)	(7,402)	(5,194)	(2,208)	43%
Adjusted consolidated profit (Loss)	(6,335)	(4,286)	(2,049)	48%

Balance Sheet Data

<i>Euro / 000</i>	30/06/2023	31/12/2022	Variation	Change %
Investment activities	7,052	6,402	650	10%
Net invested capital	265,855	247,811	18,044	7%
Equity	135,740	143,522	(7,782)	(5%)
Net Financial Position	130,115	104,289	25,826	25%
Adjusted Net Financial Position	97,484	79,018	18,466	23%

In the first half of 2023, the Group has registered Revenues¹ for euro 95,869 thousand compared to euro 101,477 thousand of the first half of the previous reporting period. Sales volumes appears in line with the first half of the previous reporting period, therefore, the negative change in revenues has to be mainly associated to the decrease in average sales prices.

In terms of profitability, EBITDA is equal to euro 6,855 thousand as of June 30, 2023, with a percentage margin (EBITDA/Revenues) of 7.2% compared to 8.7% of the previous reporting period. Margins have been mainly affected by the higher electricity costs incurred by French subsidiaries in the first half of 2023, estimated for euro 1,574 thousand compared to the previous year. Excluding the impact of the electricity costs described above, the percentage margin (EBITDA/ Revenues) would be in line with the previous reporting period.

Moreover, margins result negatively impacted by the lower sales profitability related to production of the previous reporting period, as a result of the decreasing trend of raw material quotations.

The Group has registered an Adjusted Consolidated Loss of euro 6,335 thousand after (i) depreciation and amortisation of euro 12,287 thousand, of which euro 6,342 thousand related to the investment made and still on-going for the Teverola 1 and 2 projects and (ii) higher financial expenses for euro 1,749 thousand compared to the previous reporting period.

¹ "Revenues" stands for revenues, income and internal works.

Adjusted Net Financial Position is equal to euro 97,484 thousand compared to euro 79,018 thousand as of December 31, 2022. The increase is due to higher investments in working capital, equal to euro 8,341 thousand, and in tangible and intangible assets, equal to euro 7,052 thousand. Namely, over the first half of the year, there has been an increase in the value of inventories, accounting for euro 9,907 thousand, mainly due to the increase in inventories at the Teverola 1 site, equal to euro 6,901 thousand (variation).

Ongoing projects

The Teverola plant was started up at the end of 2022, and production capacity has been gradually increased during 2023. In June 2023, Mr. Dominique Ligeois (see press release of 26 June 2023), one of the world's leading expert on lithium cells, has been appointed as Chief Technology Officer (CTO).

During the verification of process parameters, with increased production capacity, a significant increase in production scrap and downtime machine has been observed, also due to persistent problems on the power line (voltage dips and spikes on the grid) causing faults in the electronic equipment of the plants as well as continuous production stops and restarts with negative impacts on production efficiency.

During the last quarter, the subsidiary FIB therefore took the decision to proceed with the installation of protection systems on certain plants. On the basis of the new production standards defined by the CTO, modifications were also made to the production process in order to reduce scrap and ensure that the production parameters of the cells are stably and continuously respected.

The company will carry out further checks on process parameters as production capacity is progressively increased to the theoretical maximum possible, taking into account the modifications and adjustments already made and those to be made, in line with the indications received from the new technical manager and the high-profile technical team hired over the last few months. All interventions are aimed at increasing current production capacity and efficiency and significantly reducing scrap.

In this context, the company has therefore decided to delay sales on the market of finished products including the current stock of finished products, taking a very conservative attitude, but that is necessary in order to guarantee customers continuity and timeliness in supplies, once production processes have been stabilised and maximum production capacity has been achieved.

The extraordinary investment made, which is one of the most innovative in Europe for the characteristics of the cells (LFP on an water basis, without the use of solvents), certainly required a longer lead time than initially forecast, but in line with the start-up times of the other plants being built by the main European competitors.

Currently, the forecasts of the industrial plan approved on 27 July 2023, and the turnover forecast expected in 2026 for the Teverola 1 + Teverola 2 plant remain firm. The company will notify the market of updates regarding the ramp-up of the plant, following the outcome of the checks currently underway on the work already completed and on the one already planned.

Moreover, the technical team and the CTO are currently defining all the process parameters of the Teverola 2 plant (giga factory), whose investment programme has undergone a significant acceleration over the last few months, also following the cash in of the advance payment of approximately EUR 84 million of the IPCEI subsidy granted by the Ministry of Enterprise and Made in Italy ('MIMIT'), as an advance on the total subsidy. In addition, FIB is continuing the assessment with a pool of banks for the activation of a revolving credit line in order to anticipate the timing of the disbursement of the facilities.

Finally, with reference to the Unilever-P2P project, on 30 June 2023, the Development Agreement was signed by MIMIT and Invitalia S.p.A. for €82 million, of which €30 million as a non-repayable contribution and €52 million as a subsidised loan. As at 30 June 2023, the site preparation and demolition activities of the old plants were completed.

Economic and financial results review

Consolidated economic trend

As follows, the Group's Income Statement as of June 30, 2023 compared to the situation as of 30th of June of the previous year:

<i>Euro / 000</i>	30/06/2023	30/06/2022	Variation	Change %
Revenues from contract with customers	84,870	89,811	(4,941)	(6%)
Other operating income	6,041	7,751	(1,710)	(22%)
Internal works	4,958	3,915	1,043	27%
Total revenue, income and internal works	95,869	101,477	(5,608)	(6%)
Operating Costs	89,014	92,622	(3,608)	(4%)
Gross operating income - EBITDA	6,855	8,855	(2,000)	(23%)
Depreciation and amortisation	12,287	10,826	1,461	13%
Write-downs/write-backs	1,253	(39)	1,292	>100%
Net Operating Income (loss) - EBIT	(6,685)	(1,932)	(4,753)	>100%
Financial income (expense)	(3,017)	(2,401)	(616)	26%
Profit (Loss) before tax	(9,702)	(4,333)	(5,369)	>100%
Income taxes	(2,660)	861	(3,521)	>100%
Profit (Loss)	(7,042)	(5,194)	(1,848)	36%

Net Operating Income is equal to negative Euro 6,685 thousand, after amortisation, depreciation, and write-downs for Euro 13,540 thousand. It should be noted that amortisation and depreciation in the Batteries segment accounts for euro 6,342 thousand of the investment made and ongoing with respect to Teverola 1 and 2 projects, of which euro 5,097 thousand for amortisation of investments realized (Teverola 1 and 2) and euro 1,245 thousand for right of use related to the lease of the Teverola 1 (euro 541 thousand) and Teverola 2 (euro 704 thousand) properties.

The assessment of the Group's economic performance has been carried out considering also several alternative performance indicators (Alternative Performance Measures, hereinafter also referred as 'APMs'), as provided by the European Securities and Markets Authority (ESMA). The management believes that MAPs allow for a better business performance analysis, ensuring a clearer comparability of results over time, isolating non-recurring events, so as to make reporting consistent with forecast trends. These indicators should not be considered as substitutes for conventional IFRS indicators. Indeed, APMs are not required by IFRS and, although derived from the consolidated financial statements, they are not subject to audit. Therefore, APMs must be read in conjunction with the Group's financial information as reported in the Consolidated Financial Statements.

In particular, the alternative performance indicators refer to the adjustment of key balance sheet indicators net of non-recurring and/or non-repetitive items, the so-called 'special items'².

² Income components are classified as special items when: (i) they are related to events or transactions that are not repetitive, i.e., from transactions that are not frequently repeated in the Group's recurring operations; (ii) they derive from transactions that are not representative of the Group's normal operations, such as in the case of extraordinary restructuring charges, environmental charges, charges related to the disposal and valuation of an asset, charges related to extraordinary transactions, even if they occurred in previous years or are likely to occur in subsequent years, charges related to the start-up of new plants, etc; (iii) any capital gains or losses, write-downs or revaluations of investments and/or assets, value adjustments/reversals and depreciation related to extraordinary transactions.

Below is a description of the main alternative performance measures:

- EBITDA (or Gross Operating Margin): this is an indicator of operating performance and is calculated by adding Depreciation and Amortisation and Write-downs/Write-backs to Operating Profit;
- Adjusted EBITDA (or Adjusted Gross Operating Margin): represents an indicator of recurring operating performance and is calculated by summing EBITDA and special items, i.e. operating costs, with a positive sign, which are non-recurring or non-repetitive;
- Adjusted operating profit (or adjusted EBIT): is calculated by summing the operating profit and special items, i.e. operating costs and depreciation, amortisation and depreciation/amortisation, with a positive sign, non-recurring or non-repetitive;
- Adjusted Consolidated Profit (Loss): is calculated by adding the special items to Consolidated Profit (Loss);
- Net Financial Debt or Net Financial Position: this is an indicator of the financial structure and is calculated in accordance with Guideline No. 39 issued on 4 March 2021, applicable as of 5 May 2021 and in line with the Attention Notice No. 5/21 issued by Consob on 29 April 2021;
- Adjusted Net Financial Debt or Adjusted Net Financial Position: is calculated by deducting from Net Financial Debt (or Net Financial Position) the financial debt related to the application of IFRS 16;
- Financial flow from operations: is calculated by adding changes in inventories, trade receivables, trade payables, provisions and other assets/liabilities to EBITDA.

The Group's reported and adjusted economic situation as of June 30, 2023 is shown below:

Profit and Loss	30/06/2023	Special items	30/06/2023 Adjusted	30/06/2022	Special items	30/06/2022 Adjusted
Revenues from contract with customers	84,870		84,870	89,811		89,811
Other operating income	6,041		6,041	7,751	(216)	7,535
Internal works	4,958		4,958	3,915		3,915
Revenues	95,869	0	95,869	101,477	(216)	101,261
Purchase of material	58,009		58,009	70,880	(22)	70,858
Change in inventories	(9,716)		(9,716)	(18,759)		(18,759)
Services expense	23,336		23,336	23,746	(3)	23,744
Other operating costs	1,111	(61)	1,050	1,405	(408)	997
Personnel costs	16,274	(238)	16,036	15,350		15,350
Operating Costs	89,014	(299)	88,715	92,622	(432)	92,190
Gross operating Income - EBITDA	6,855	299	7,154	8,855	216	9,071
Depreciation and amortisation	12,287		12,287	10,826		10,826
Write-downs/write-backs	1,253	(260)	993	(39)		(39)
Net Operating Income (Loss)- EBIT	(6,685)	559	(6,126)	(1,932)	216	(1,716)
Financial income	1,720	(376)	1,344	594		594
Financial expense	4,737		4,737	2,988		2,988
Profit (Loss) from equity-accounted investments	0		0	(7)		(7)
Profit (Loss) before tax	(9,702)	(183)	(9,519)	(4,333)	216	(4,117)
Income taxes	(2,660)	(583)	(3,243)	861	(754)	107
Theoretical tax effect	0	59	59	0	63	63
Profit (Loss)	(7,042)	707	(6,335)	(5,194)	908	(4,286)

The impact of special items on Profit (loss) before taxes is equal to positive Euro 183 thousand, due to non-recurring financial income of Euro 376 thousand and non-recurring operating costs and write-downs of Euro 559 thousand.

Consolidated Statement of Financial Position

<i>Euro / 000</i>	30/06/2023	31/12/2022	Variation	Change %
Net fixed assets:				
Property, plant and equipment, intangible assets and rights of use	123,266	118,687	4,579	4%
Goodwill	55,042	55,042	0	0%
Equity-accounted investments	538	538	0	0%
Other non-current assets/(liabilities)	(21,157)	(22,797)	1,640	(7%)
Total net fixed assets	157,689	151,470	6,219	4%
Net working capital				
Trade receivables	31,791	32,270	(479)	(1%)
Inventories	85,660	75,753	9,907	13%
Trade payables	(47,088)	(46,520)	(568)	1%
Other current assets/(liabilities)	14,868	15,387	(519)	(3%)
Total net working capital	85,231	76,890	8,341	11%
Gross invested capital	242,920	228,360	14,560	6%
Other provisionss:				
Provision for employee benefits	(4,137)	(4,235)	98	(2%)
Provisions for risks and charges	(973)	(823)	(150)	18%
Provision for Net Deferred Taxes	28,045	24,509	3,536	14%
Total provisions	22,935	19,451	3,484	18%
<u>Net invested capital</u>	<u>265,855</u>	<u>247,811</u>	<u>18,044</u>	<u>7%</u>
Equity	(135,740)	(143,522)	7,782	(5%)
Net Financial Position	(130,115)	(104,289)	(25,826)	25%
<u>Coverage</u>	<u>(265,855)</u>	<u>(247,811)</u>	<u>(18,044)</u>	<u>7%</u>

Net invested capital at June 30, 2023 is equal to euro 265,855 thousand and it is covered by equity of euro 135,740 thousand and Net Financial Position of euro 130,115 thousand.

As follows, a breakdown of the Net Invested Capital's by business unit:

Euro / 000	Batteries	Plastics	Other	Corporate	Conso.	Consolidated
Net fixed assets:						
Property, plant and equipment, intangible assets rights of use	88,644	34,089	0	563	(29)	123,266
Goodwill	705	0	0	0	54,337	55,042
Equity-accounted investments	538	0	0	141,395	(141,395)	538
Other net non-current assets/(liabilities)	(19,469)	(1,656)	0	2,467	(2,500)	(21,157)
Total net fixed assets	70,418	32,433	0	144,425	(89,587)	157,689
Net working capital	0	0	0	0		
Trade receivables	16,842	17,129	0	3,703	(5,884)	31,791
Inventories	48,348	37,311	0	0	0	85,660
Trade payables	(24,810)	(26,879)	(6)	(1,273)	5,879	(47,088)
Other current assets/(liabilities)	17,044	(1,312)	157	(1,025)	5	14,868
Total net working capital	57,425	26,249	151	1,405	1	85,231
Gross invested capital	127,842	58,682	151	145,830	(89,586)	242,920
Provisions:	0	0	0	0		
Provisions for employee	(1,377)	(1,938)	0	(823)	1	(4,137)
Provisions for risks and charges	(621)	(116)	(16)	(219)	0	(973)
Provisions for net deferred taxes	2,482	1,518	0	24,045	1	28,045
Total provisions	483	(536)	(16)	23,002	1	22,935
Net invested capital	128,326	58,146	135	168,833	(89,585)	265,855
Equity	(56,246)	(21,344)	(246)	(144,989)	87,084	(135,740)
Net financial Position	(72,080)	(36,802)	111	(23,844)	2,500	(130,115)
Coverage	(128,326)	(58,146)	(135)	(168,833)	89,585	(265,855)

The table below shows is Group's balance sheet as of June 30, 2023, compared to the balance sheet at the end of the previous year:

Euro / 000	30/06/2023	31/12/2022	Variation	Change %
Current Assets	153,127	166,893	(13,766)	(8%)
Non-current Assets	209,803	201,993	7,810	4%
ASSETS	362,930	368,886	(5,956)	(2%)
Current liabilities	129,360	128,155	1,205	1%
Non-current liabilities	97,830	97,209	621	1%
Equity	135,740	143,522	(7,782)	(5%)
LIABILITIES AND EQUITY	362,930	368,886	(5,956)	(2%)

Current assets are equal to € 153 million as of June 30, 2023 compared to € 167 million of December 31, 2022, registering a decrease of € 14 million. Non-current assets amounted to € 210 million as of June 30, 2023 compared to € 202 million of December 31, 2022, registering an increase of € 8 million.

Current liabilities are equal to € 129 million as of June 30, 2023, registering an increase compared to December 31, 2022. Non-current liabilities are equal to € 98 million as of June 30, 2023 compared to € 97 million as of December 31, 2022, registering an increase of € 1 million.

Equity is equal to Euro 136 million as of June 30, 2023 registering a decrease of Euro 8 million compared to Euro 144 million as of December 31, 2022.

Current assets are equal to Euro 153 million against current liabilities of Euro 129 million. The availability margin is equal to Euro 24million, with a *current ratio* of 1,18. The latter, demonstrates the Group's ability to generate liquidity and to meet its short-term commitments.

The Group's Net Financial Position as of June 30, 2023 is shown in the table below.

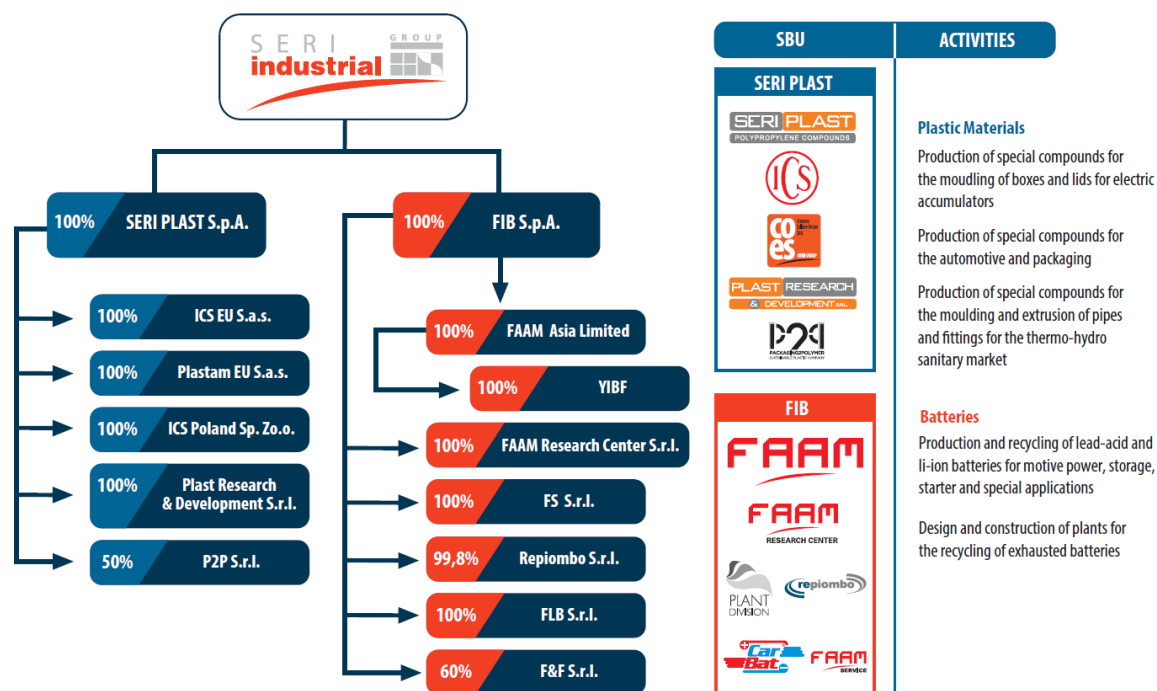
NFP – NET FINANCIAL POSITION		30/06/2023	31/12/2022	Variation	Change %
A)	Cash	2,996	24,818	(21,822)	(88%)
B)	Cash equivalents	1,121	1,133	(12)	(1%)
C)	Other current financial assets	533	1,588	(1,055)	(66%)
D)	Liquidity D = (A + B + C)	4,650	27,539	(22,889)	(83%)
E)	Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	48,601	47,552	1,049	2%
F)	Current part of non-current financial debt	15,698	16,006	(308)	(2%)
G)	Current financial indebtedness G = (E + F)	64,299	63,558	741	1%
H)	Net current financial indebtedness H = (G – D)	59,649	36,019	23,630	66%
I)	Non-current financial debt (excluding current portion and debt instruments)	29,988	34,400	(4,412)	(13%)
J)	Debt instruments	4,000	4,000	0	100%
K)	Non-current trade and other payables	36,478	29,870	6,608	22%
L)	Non-current financial indebtedness L = (I + J + K)	70,466	68,270	2,196	3%
M)	Total financial indebtedness (H+L)	130,115	104,289	25,826	25%
N)	IFRS 16 adjustment	32,631	25,271	7,360	29%
O)	Adjusted total financial indebtedness	97,484	79,018	18,466	23%

The Group's adjusted total financial indebtedness as of June 30, 2023, equal to €97 million, increased by €18 million (€79 million as of December 31, 2022), mainly due to increases in working capital of €8 million and in tangible and intangible assets of €7 million.

Total financial indebtedness as of 30th June 2023, amounting to euro 130 million, with an increase of euro 26 million (euro 104 million as of December 31, 2022). The increase in total financial indebtedness compared to the previous year has to be associated, in addition to the increase in working capital, to the recording of new finance lease agreements in accordance with IFRS 16.

Business Units trend

As follows, the Company organisation chart together with an indication of the major activities for each business unit:



The company operates as a controlling holding company of two industrial companies, operating in two business lines (or "Sectors"):

- (i) **Seri Plast S.p.A. ("Seri Plast")**, active in the recycling and production of plastic materials for the (i) battery market (production of special compounds and moulding of battery boxes and lids), (ii) automotive market (production of special compounds) and the (iii) hydro-thermo-sanitary, civil and shipbuilding markets (production of special compounds, extrusion and moulding of pipes, fittings and special parts);

"Plastic Material" business line

- (ii) **FIB S.p.A. ("Fib" or "FIB" or "Faam")**, active, under the FAAM brand, in the production and recycling of lead-acid and lithium batteries for industrial, traction, storage and military applications, as well as in the design of plants for the recycling of end-of-life batteries.

"Batteries" business line

The following tables summarise the economic results by sector as of June 30, 2023:

Economic information by sectors	Batteries	Plastic Materials	Other	Corporate	Conso. effects.	Consolidated
Revenues from contract with customers	29,302	56,487	0	2,512	(3,431)	84,870
Other operating income	4,095	1,967	0	42	(63)	6,041
Internal works	3,841	1,113	0	0	4	4,958
Total revenues, income and internal works	37,238	59,566	0	2,554	(3,490)	95,869
Purchase of materials	27,558	31,375	0	9	(934)	58,009
Change in inventories	(10,778)	1,062	0	0	0	(9,716)
Services expense	9,128	15,703	2	1,045	(2,542)	23,336
Other operating costs	473	446	20	189	(17)	1,111
Personnel costs	7,442	7,122	0	1,681	28	16,274
Operating Costs	33,824	55,708	22	2,924	(3,465)	89,014
Gross operating income - EBITDA	3,415	3,858	(22)	(370)	(25)	6,855
Depreciation and amortisation	8,112	4,066	0	108	1	12,287
Write-downs/write-backs	488	755	0	31	(21)	1,253
Net operating income (loss) - EBIT	(5,185)	(963)	(22)	(509)	(5)	(6,685)
Financial income	210	450	0	1,106	(46)	1,720
Financial expense	2,092	1,766	0	923	(44)	4,737
Profit (Loss) before tax	(7,067)	(2,278)	(22)	(327)	(7)	(9,702)
Income taxes	256	568	0	(3,484)	1	(2,660)
Profit (Loss)	(7,323)	(2,846)	(22)	3,157	(8)	(7,042)

Plastic materials

As follows, the economic performance of the Plastic Material sector as of June 30, 2023 compared to the same period in the previous year:

Plastics	30/06/2023	30/06/2022	Change	Change %
Revenues from contract with customers	56,487	59,250	(2,763)	(5%)
Other operating income	1,967	2,328	(361)	(16%)
Internal works	1,113	1,222	(109)	(9%)
Total revenues, income and internal works	59,566	62,800	(3,234)	(5%)
Purchase of materials	31,375	41,377	(10,002)	(24%)
Change in inventories	1,062	(6,996)	8,058	(115%)
Services expense	15,703	16,163	(460)	(3%)
Other operating costs	446	671	(225)	(34%)
Personnel costs	7,122	7,202	(80)	(1%)
Operating Costs	55,708	58,417	(2,709)	(5%)
Gross operating income - EBITDA	3,858	4,382	(524)	(12%)
Depreciation and amortisation	4,066	3,746	320	9%
Write-downs/write-backs	755	(148)	903	(610%)
Net operating income (loss) - EBIT	(963)	785	(1,748)	(223%)
Financial income	450	83	367	442%
Financial expense	1,766	1,092	674	62%
Profit (Loss) before tax	(2,278)	(224)	(2,054)	917%
Income taxes	568	474	94	20%
Profit (Loss)	(2,846)	(698)	(2,148)	308%

In 2023, Revenues decreased by (5%) , mainly due to a reduction in average sales prices compared to the same period of the previous year.

In terms of profitability, the Gross Operating Income as of June 30, 2023 is equal to Euro 3,858 thousand, with a percentage margin (Gross Operating Income/Revenues) of 6% (7% as of June 30, 2022). Net Operating income is equal to negative Euro 963 thousand, after depreciation, amortisation and write-downs of Euro 4,821 thousand.

Margins result mainly impacted by the higher energy prices incurred by the French subsidiaries all over the first half of 2023, expected to be euro 1,574 thousand compared to the previous reporting period.

Without considering the increase in electricity costs described above, the percentage margin (Gross Operating Income/Revenues) would be higher compared to the previous year.

Batteries

The table below shows the economic performance of the Batteries sectors of June 30,2023 compared to the same period of the previous year:

Batteries	30/06/2023	30/06/2022	Change	Change %
Revenues from contract with customers	29,302	31,444	(2,142)	(7%)
Other operating income	4,095	5,459	(1,364)	(25%)
Internal works	3,841	2,600	1,241	48%
Total revenues, income and internal works	37,238	39,503	(2,265)	(6%)
Purchase of materials	27,558	30,309	(2,751)	(9%)
Change in inventories	(10,778)	(11,763)	985	(8%)
Services expense	9,128	8,857	271	3%
Other operating costs	473	634	(161)	(25%)
Personnel costs	7,442	6,611	831	13%
Operating Costs	33,824	34,648	(824)	(2%)
Gross operating income - EBITDA	3,415	4,855	(1,440)	(30%)
Depreciation and amortisation	8,112	6,987	1,125	16%
Write-downs/write-backs	488	110	378	344%
Net operating income (loss) - EBIT	(5,185)	(2,241)	(2,944)	131%
Financial income	210	511	(301)	(59%)
Financial expense	2,092	1,659	433	26%
Profit (Loss) before tax	(7,067)	(3,390)	(3,677)	108%
Income taxes	256	372	(116)	(31%)
Profit (Loss)	(7,323)	(3,761)	(3,562)	95%

In the first half of 2023, Revenues decreased by (6%), compared to the same period of the previous year.

The negative change in revenues from customers has to be associated mainly to the interruption of marketing and sales activities in the smelter segment in the first two months of 2023, as set-up activities for the new refining and smelting plant were underway.

In terms of profitability, the Gross Operating Income as of June 30, 2023 is equal to positive Euro 3,415 thousand with a percentage margin (Gross Operating Income/Revenues) of 9%.The Net Operating Income is equal to negative Euro 5,185 thousand, after depreciation, amortisation, and write-downs of Euro 8,600 thousand. It should be noted that amortisation and depreciation in the Batteries sector accounts for euro 6,342 thousand to the investment realised and ongoing related to the Teverola 1 and 2 projects, of which euro 5,097 thousand for amortisation of investments made (Teverola 1 and 2) and euro 1,245 thousand for rights of use relating to the lease of the Teverola 1 (euro 541 thousand) and Teverola 2 (euro 704 thousand) properties.

Significant events in the period

Teverola 1

Please refer to the description above in the section "Ongoing Projects".

Unilever-P2P: Development Agreement signed by MIMIT and Invitalia for 82 million euro to support P2P project

On June 30, 2023, a Development Agreement was signed by the Ministry of Enterprise and Made in Italy and Invitalia S.p.A. to support the industrial project proposed by P2P, a company jointly owned by Unilever B.V. and its subsidiary Seri Plast S.p.A., which envisages the construction of a new production plant in Pozzilli (Isernia, Molise) for the manufacturing of recycled raw materials from recovered post-consumer plastic packaging necessary for the creation of new-life plastic packaging.

The project foresees total investments of around EUR 109 million, covered by MIMIT resources accounting for EUR 82 million (of which EUR 30 million non-repayable grant and EUR 52 million soft loan).

Finally, it should be noted that site preparation and demolition activities of the old facilities have been completed.

Subsequent event after the end of period and foreseeable business developments

Events after the end of the period

Business Plan Update 2023-2026

On 27th July 2023, the Board of Directors approved the 2023-2026 Industrial Plan of the Seri Industrial Group ("The Plan"). The Plan represents an update of the previous one, approved on 22nd July 2022, and was drafted in cooperation with a leading advisor, who verified the degree of plausibility and consistency of the underlying working hypotheses as well as the likelihood of the relative assumptions.

The Plan, despite the postponement of the deadline for the Teverola 2 production plant, which will become fully operational around 2025 to 2026, foresees revenues of around EUR 2.2 billion in 2026, in line with the previous plan.

Teverola 2

On 11th August 2023, the subsidiary FIB received the first disbursement from MIMIT as an advance payment in the amount of 20% of the total grant, amounting to EUR 83.4 million, for investment activities under the IPCEI -Batteries 1 programme.

In addition, FIB is continuing the assessment with a pool of banks to activate a revolving credit line in order to anticipate the timing of disbursements.

Foreseeable development of operations

Teverola 1 and 2

Please refer to the description above in the section "Ongoing Projects".

Related party transactions

The Group has entertained and continues to entertain significant financial and economic relations with related parties, the latter mainly relating to companies attributable to Vittorio Civitillo. Certain corporate representatives of Seri Industrial - specifically Vittorio Civitillo, Andrea Civitillo and Marco Civitillo, and their father Giacomo Civitillo (the 'Civitillo Executives') – are holder of significant interests pursuant to Article 2391 of the Italian Civil Code on behalf of parties related to the Company and the Group (the above-mentioned persons hold positions or functions as directors in companies that are part of the Company chain of control and/or in other parties related to the Company).

Major related party transactions 2023

Two major transactions have been authorized during the period.

6 February 2023

The Company's Board of Directors authorised the signing of new lease agreements, with novative effects with respect to the previous ones, with the related party Pmimmobiliare, by the subsidiary FIB and Seri Plast, and with Azienda Agricola Quercete a r.l. by Seri Industrial itself.

The definition of the new contracts is aimed at simplifying administrative and accounting management. The three new contracts have uniform terms and conditions, including durations, and cover the entirety of the industrial complexes already leased by FIB and Seri Plast.

The transaction to sign the lease agreements was assessed as a transaction between related parties of 'major significance'. The opinion on the interest, convenience and substantial fairness of the relevant terms was rendered by a committee composed of two independent directors and a member of the Board of Statutory Auditors.

For further information, please refer to the information document, prepared in accordance with Annex 4 of Consob Regulation 17221/2010, published on 6th February 2023 on the Company's website.

26 June 2023

Seri Industrial has released the information document on the highly significant related party transaction, which was the subject of a press release dated 4 October 2022, was published following Unilever's consent to the transaction.

As part of the programme of industrial reconversion of the Pozzilli plant, Seri Plast S.p.A. has been authorised to give up the purchase of a building in Pozzilli, through its subsidiary Packaging To Polymers S.r.l., with Pmimmobiliare S.r.l. taking over, and the stipulation of a real estate lease contract between Packaging To Polymers S.r.l. and Pmimmobiliare S.r.l. The transaction was assessed as a transaction between related parties of 'major significance'. The opinion on the interest, convenience and substantive fairness of the related conditions was rendered by a committee consisting of two independent directors and a member of the Board of Statutory Auditors.

For further information, please refer to the information document, prepared in accordance with Annex 4 of Consob Regulation 17221/2010, published on 26 June 2023 on the Company's website.

Relationships with the controlling company and other related parties

The main relationships with the Company and other Group companies and shareholders, as well as companies related to them, that hold significant stakes in the Company's capital are set out below:

Real estate leases

The Company and the Group companies have lease agreements for office and industrial buildings with Pmimmobiliare Srl and Azienda Agricola Quercete a r.l., companies indirectly controlled by Vittorio Civitillo and Andrea Civitillo.

Guarantees and indemnities

Through SE.R.I. SpA, respectively, factoring companies and banking institutions granted the Italian companies of the Seri Industrial Group the possibility of utilising advances on receivables and short-term loans.

SE.R.I. SpA (the 'Guarantor') has assumed commitment of guarantee and indemnity commitment, with cumulative delegation of debt and payment and assumption of debt, in the context of factoring relationship of trade receivables by the Group.

Other relationship

Group VAT

SE.R.I. SpA has signed a contract with the Seri Industrial Group companies for the management of Group VAT in relation to periodic and annual VAT settlements; as of June 30, 2023, the Group has a total credit position of euro 919 thousand and a debit position of euro 493 thousand.

Other residual relations

There are also certain relations with other companies attributable to the Civitillo family in relation to supplies and services of a technical and industrial, consultancy and professional nature, regulated under conditions similar to those generally applied in the sector in which the individual companies operate; the following tables provide quantitative

information on the economic and equity relations as of June 30, 2023 held by the Seri Industrial Group with Related Parties, i.e., with the parent company, with the other companies of the Group to which it belongs and with shareholders who hold significant stakes in the Company's share capital.

As follows, the table of balance sheet transactions with related parties as of June 30, 2023 compared to the previous year:

Balance sheet transactions by related party	30/06/2023		31/12/2022	
	Receivables	Payables	Receivables	Payables
Pmimmobiliare Srl	1,716	29,578	1,747	22,047
SE.R.I. SpA	932	511	346	2,897
WWS Group Srl	0	558	0	654
Elektra Srl	65	140	47	315
Azienda Agricola Quercete arl	28	324	25	136
Cotton S. Srl	14	167	12	60
Repol Sas	256	0	0	0
More	79	238	67	221
Total	3,090	31,516	2,244	26,330

It should be noted that in application of the International Accounting Standard IFRS 16, leases are recognised by recording "Right-of-use" and financial payables. In this regard, payables to Pmimmobiliare are attributable for euro 29,430 thousand to the application of IFRS 16 accounting standard.

The table before, shows the economic relations with Related Parties as of June 30, 2023 compared to the previous reporting period:

Costs and Revenues by related parties	30/06/2023		30/06/2022	
	COSTS	REVENUES	COSTS	REVENUES
Cotton S. Srl	123	1	379	0
Manita Creative Srl	195	0	194	0
SMEmmobiliare Srl	878	14	546	8
Seri Development & Real Estate Srl	0	0	235	3
Administrators	898	0	828	0
Others	291	48	333	49
Total	2,386	64	2,515	60

Other information

Information pursuant to and for the purposes of Article 114, paragraph 5 of Legislative Decree No. 58/1998

On 28 July 2021, Consob announced that the disclosure requirements on a monthly basis pursuant to Article 114(5) of Legislative Decree No. 58/98 had ceased to apply. The obligation to provide supplementary information, in accordance with the above-mentioned regulation, with reference to annual and semi-annual financial reports as of June 30, 2023 and interim management reports remains.

In view of the foregoing, in lieu of the monthly supplementary reporting requirements, this press release concerning the approval of the annual financial report is supplemented with information on

a) the net financial position of the Company and its Group, highlighting the current components separately from the medium/long-term components. Please refer to the section above entitled "Comments on the Economic and Financial Results".

b) the past due debt of the Company and the Group, broken down by nature (financial, commercial, tax, social security and towards employees) and any related creditor reaction initiatives (reminders, injunctions, suspension of supply, etc.):

Nature of the debt	Seri Industrial S.p.A.		Seri Industrial Group	
	30/06/2023	31/12/2022	30/06/2023	31/12/2022
Trade payables	559	917	15,986	19,698
Tax debts	15	15	180	169
Other debts	27	27	735	550

At the Group level, there was a reduction in overdue trade payables of about Euro 4 million; payment orders as of June 30, 2023 amounted to Euro 672 thousand.

c) the main changes in the relations with related party of the Company and the Group belonging to it compared to the last annual or half-year financial report approved pursuant to Article 154-ter of the Consolidated Law on Finance. The information is provided in the "Related Party Transactions" section of this press release, to which reference should be made.

d) with regard to any failure to comply with covenants, negative pledges and any other indebtedness clause of the Group entailing limits on the use of financial resources. The verification of covenants, in accordance with the relevant financing contracts is computed on the basis of reference data as of 31st December of each year. Additionally, the following should be noted (i) with reference to the FIB-Deutsche Bank loan - recognised for a residual €1.5 million in current liabilities and regularly repaid at the respective due dates, most recently the instalments of 31 March and 30 June 2023, no requests for early repayment were received due to non-compliance with the financial parameters at 31st December 2022 (ii) with reference to the FIB-Pool bank loan, recorded for €5 million under current liabilities, the preliminary investigation is at an advanced stage aimed at granting the extension of the maturity date to 31st April 2024 and the non-application of the covenants; no requests for early repayment have been received in respect of the failure to meet the financial parameters at 31 December 2022.

e) The status of implementation of any industrial and financial plans, highlighting any deviation of the final figures from those forecasted. The management confirms the objectives of the Plan. The current delays occurred at the initial stages of the Teverola 1 project have led to lower economic and financial results compared to the forecasts; these deviations are considered, by the moment, not critical for the realisation of the Plan.

* * * * *

Pursuant to Article 154-bis, paragraph 2, of Legislative Decree No. 58/1998, the person responsible for preparing the Company's financial statements, Pasquale Basile, declares that the balance sheet, income statement and financial data contained in this press release corresponds to the documentary results, books and accounting records.

* * * * *

The half year financial report as at 30 June 2023 will be made available to the public, at the Company's registered office, on the website www.seri-industrial.it in the Investor/Financial Statements and Reports section, as well as at the 1Info storage mechanism www.1Info.it) within the legal terms.

Seri Industrial S.p.A. is a company listed on the EXM market of the Italian Stock Exchange. Seri Industrial's *mission* is to accelerate the energy transition towards sustainability and decarbonisation.

The Group operates through two companies: (i) Seri Plast, active in the production and recycling of plastic materials for the battery, automotive, packaging and hydro-thermo-sanitary markets; (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 battery recycling plants.

For further information: Investor Relator

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Annex 1 - Balance Sheet sintetico- Bilancio Consolidato semestrale

<i>Euro / 000</i>	30/06/2023	31/12/2022	Change	Change %
Current Assets	153,127	166,893	(13,766)	(8%)
Non-current Assets	209,803	201,993	7,810	4%
ASSETS	362,930	368,886	(5,956)	(2%)
Current liabilities	129,360	128,155	1,205	1%
Non-current liabilities	97,830	97,209	621	1%
Equity	135,740	143,522	(7,782)	(5%)
LIABILITIES AND EQUITY	362,930	368,886	(5,956)	(2%)

Annex 2 - Profit and Loss sintetico- Bilancio Consolidato semestrale

<i>Euro / 000</i>	30/06/2023	30/06/2022	Change	Change %
Revenues from contracts with customers	84,870	89,811	(4,941)	(6%)
Other operating income	6,041	7,751	(1,710)	(22%)
Internal work	4,958	3,915	1,043	27%
Total revenues, income and internal work	95,869	101,477	(5,608)	(6%)
Operating Costs	89,014	92,622	(3,608)	(4%)
Gross operating Income - EBITDA	6,855	8,855	(2,000)	(23%)
Depreciation and amortisation	12,287	10,826	1,461	13%
Write-downs/write-backs	1,253	(39)	1,292	(3,313%)
Net Operating Income (loss) - EBIT	(6,685)	(1,932)	(4,753)	246%
Financia Income (expense)	(3,017)	(2,401)	(616)	26%
Profit (Loss) before tax	(9,702)	(4,333)	(5,369)	124%
Income Taxes	(2,660)	861	(3,521)	(409%)
Profit (loss)	(7,042)	(5,194)	(1,848)	36%

Annex 3 - Seri Industrial Group Net Financial Position

<i>NFP - NET FINANCIAL POSITION</i>	30/06/2023	31/12/2022	Change	Change %
A) Cash	2,996	24,818	(21,822)	(88%)
B) Cash equivalents to other liquid assets	1,121	1,133	(12)	(1%)
C) Other current financial assets	533	1,588	(1,055)	(66%)
D) Liquidity D = (A + B + C)	4,650	27,539	(22,889)	(83%)
E) Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	48,601	47,552	1,049	2%
F) Current portion of non-current financial debt	15,698	16,006	(308)	(2%)
G) Current financial indebtedness G = (E + F)	64,299	63,558	741	1%
H) Net current financial indebtedness H = (G - D)	59,649	36,019	23,630	66%
I) Non-current financial debt (excluding current portion and debt instruments)	29,988	34,400	(4,412)	(13%)
J) Debt instruments	4,000	4,000	0	100%
K) Non-current trade and otherpayables	36,478	29,870	6,608	22%
L) Non-current financial indebtedness L = (I + J + K)	70,466	68,270	2,196	3%
M) Total financial indebtedness (H+L)	130,115	104,289	25,826	25%
N) IFRS 16 adjustment	32,631	25,271	7,360	29%
O) Adjusted total financial indebtedness	97,484	79,018	18,466	23%