



Full year 2021 Results

March 25, 2022



Disclaimer

This presentation contains certain forward-looking statements that reflect the Company's management's current views with respect to future events and financial and operational performance of the Company and its subsidiaries. These forward-looking statements are based on Seri Industrial S.p.A.'s current expectations and projections about future events. Because these forward-looking statements are subject to risks and uncertainties, actual future results or performance may differ materially from those expressed in or implied by these statements due to any number of different factors, many of which are beyond the ability of Seri Industrial S.p.A. to control or estimate precisely. You are cautioned not to place undue reliance on the forward-looking statements contained herein, which are made only as of the date of this presentation. Seri Industrial S.p.A. does not undertake any obligation to publicly release any updates or revisions to any forward-looking statements to reflect events or circumstances after the date of this presentation. The information contained in this presentation does not purport to be comprehensive and has not been independently verified by any independent third party. Certain numbers in this presentation are rounded, while certain figures may have been restated. This presentation does not constitute a commendation regarding the securities of the Company. This presentation does not contain an offer to sell or a solicitation of any offer to buy any securities issued by Seri Industrial S.p.A..

Pursuant to art.154-bis, paragraph 2, of the Italian Unified Financial Act of February 24, 1998, the executive in charge of preparing the corporate accounting documents at Seri Industrial S.p.A., Pasquale Basile, declares that the accounting information related to results at 31 December 2021 contained here in correspond to document results, books and accounting records.

Table of content

1. Seri Industrial - Mission

2. 2021 Highlights

3. 2021 Key Financials

4. Business Update

5. The Business Plan

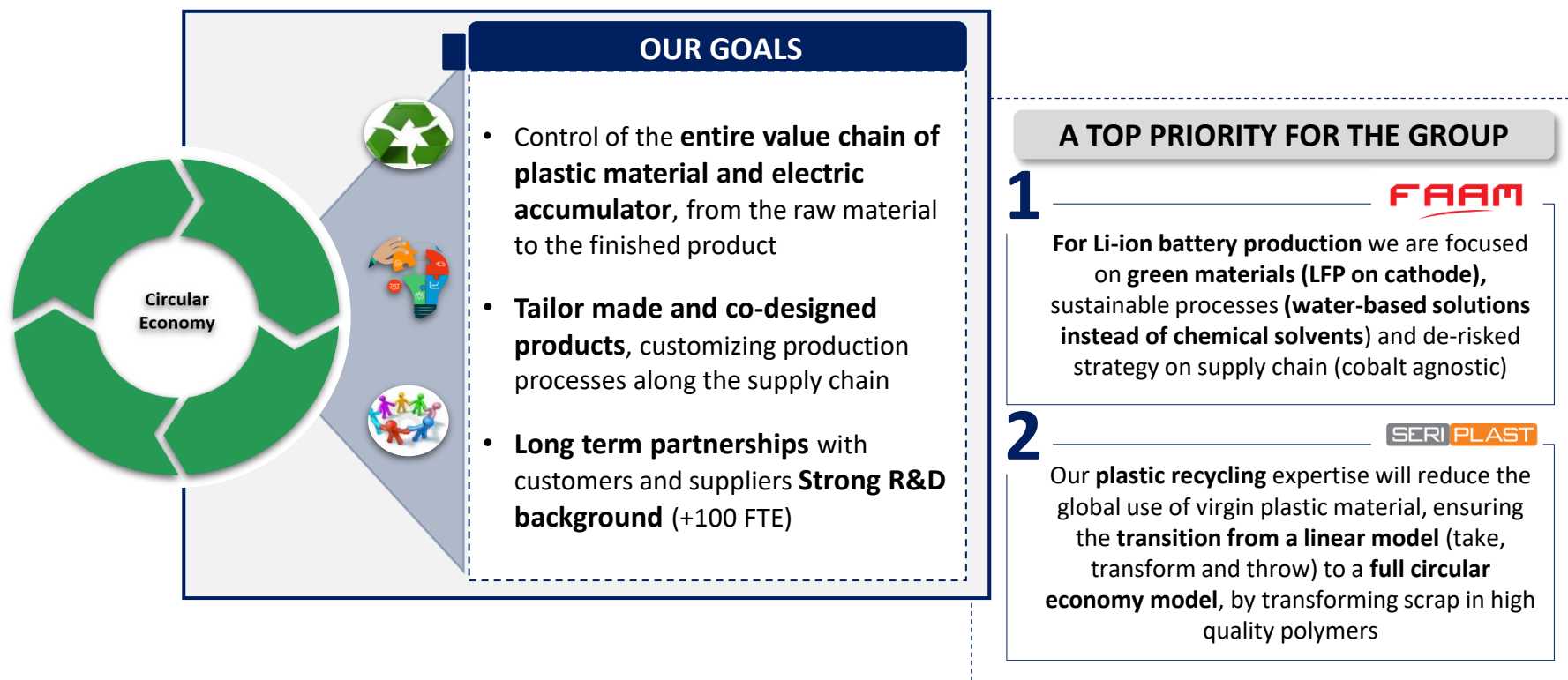
Appendix



Seri Industrial – Mission

Mission

A new way of thinking the economy, with **sustainable processes and products** and supporting the **transition** of the paradigm from a linear model (take, transform and throw) to a full **circular economy model**



The Group is pursuing the **three objectives defined by the recent European Climate Conference**



2021 Highlights

2021 Key Financials

€/000

€ 177,120 Total Revenues* € 133,991 in 2020	€ 20,502 Adj EBITDA € 5,714 in 2020
€ 38 Adj EBIT € (5,449) in 2020	€ 462 Consolidated Adj Net Result € (6,650) in 2020
€ 218,951 Net invested capital € 209,930 in 2020	€ 120,934 Consolidated Equity € 113,962 in 2020
€ 75,047 Adj Net Debt € 76,963 in 2020	€ 15,814 Adj investment activities € 17,466 in 2020
€ 17,631 Cash flow from operating activities € 10,854 in 2020	

Main business events

▼ Teverola 2 project

Issuance of the Concession Decree (8 March 2022) granting an **amount to FIB equal to € 417 million** in the IPCEI for the construction of the first Italian and Mediterranean Gigafactory (about 8GWh/year)

▼ JV and Off-take Agreement with Unilever

Signing of a JV agreement for the **reindustrialization of the Pozzilli** plant for the construction of a 130k ton/year plant for the manufacturing of recycled plastic raw materials

▼ Teverola 1

- Completion of the **commissioning**: March 2021
- **Start up and ramp-up** of the production: April/December 2021
- **Certification of the products** and **positive stress test**: January/March 2022

* Revenues, income and internal works

2021 Highlights

YOY COMPARISON 2019 – 2020 - 2021

Key Financials - €/Mln	2021	2020	2019	%21 vs 20	%21 vs 19
Total Revenues*	177,12	133,99	156,52	32%	13%
Ebitda	20,11	3,10	19,38	548%	4%
Adjusted Ebitda	20,50	5,71	22,06	259%	-7%
Ebit	(0,88)	(10,66)	6,71	-92%	-113%
Adjusted Ebit	0,04	(5,45)	10,42	-101%	-100%
Consolidated Net Result	(1,49)	(4,30)	1,82	-65%	-182%
Consolidated Adjusted Net Result	0,46	(6,65)	5,02	-107%	-91%
Cash flow from operating activities	17,63	10,85	29,73	62%	-41%
Adj investment activities	15,81	17,47	48,40	-9%	-67%

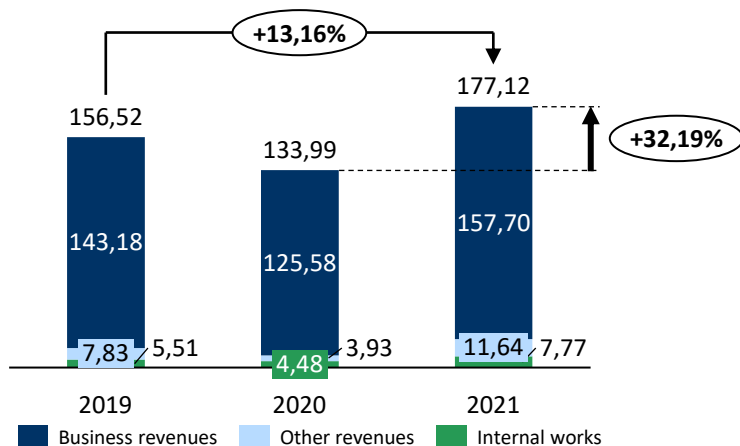
Key indicators	2021	2020	2019	%21 vs 20	%21 vs 19
Total Assets	346,05	311,32	293,31	11%	18%
Consolidated Net Equity	120,93	113,96	120,15	6%	1%
Net Debt	98,02	95,97	69,02	2%	42%
Adjusted Net Debt	75,05	76,96	52,29	-2%	44%

* Revenues, income and internal works

2021 Key Financials – Total Revenues

Key Financials 2019 – 2020 - 2021 (€ Mln)

Reported Consolidated Revenues



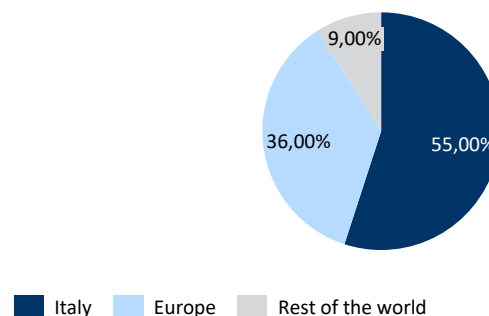
The Group has registered **Total Revenues** for € **177,120 Mln**, with a **+32,19%** growth compared to the same period in 2020 (€ **133,99 Mln**) and **+13,16%** compared to 2019 (€ **156,22 Mln**), prior to the emergency from Covid-19

Plastic Materials has registered **+33,68%** compared to the same period in 2020 and **+10,12%** compared to 2019

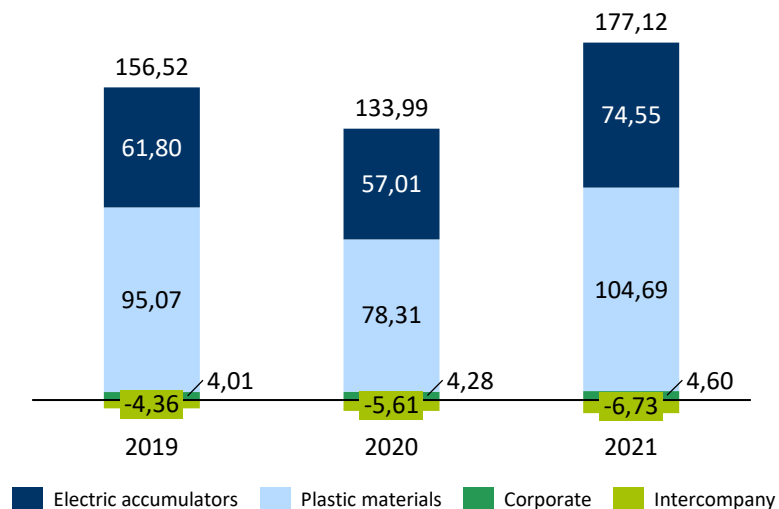
Electric Accumulators has registered **+30,76%** growth compared to the same period in 2020 and **+20,63%** compared to 2019

Revenues breakdown

Consolidated revenues by geography

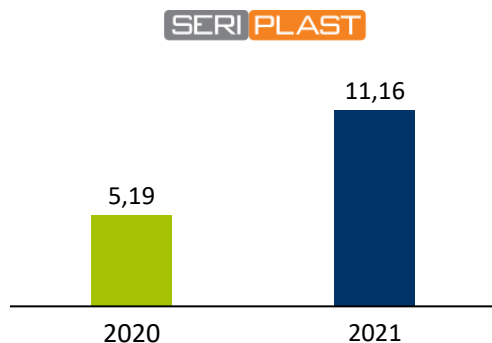


Revenues breakdown



2021 Key Financials – Ebitda

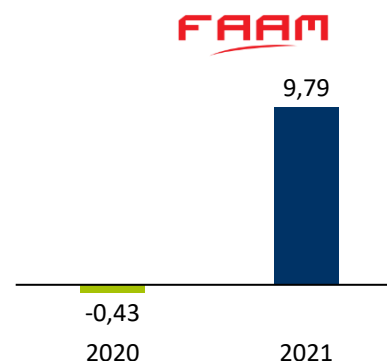
Ebitda – Plastic materials



Increase in **Ebitda** equal to € 5,97 Mln

A significant **increase in percentage margin*** equal to **10,7%** compared to the 6,6% in the previous year

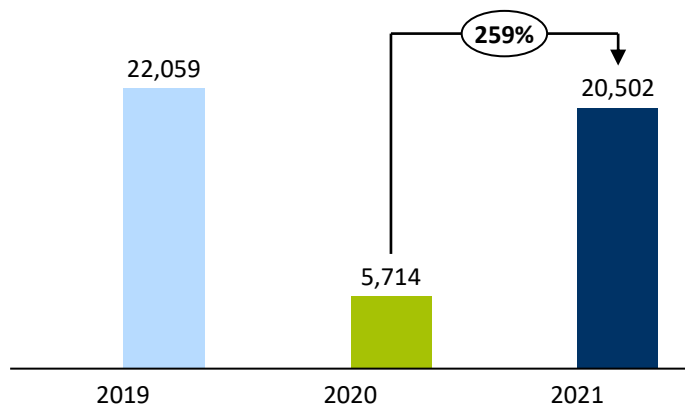
Ebitda – Electric accumulators



Increase in **Ebitda** equal to € 10,2 Mln.

A significant **increase in percentage margin*** equal to **13,1%** compared a negative result in the previous year

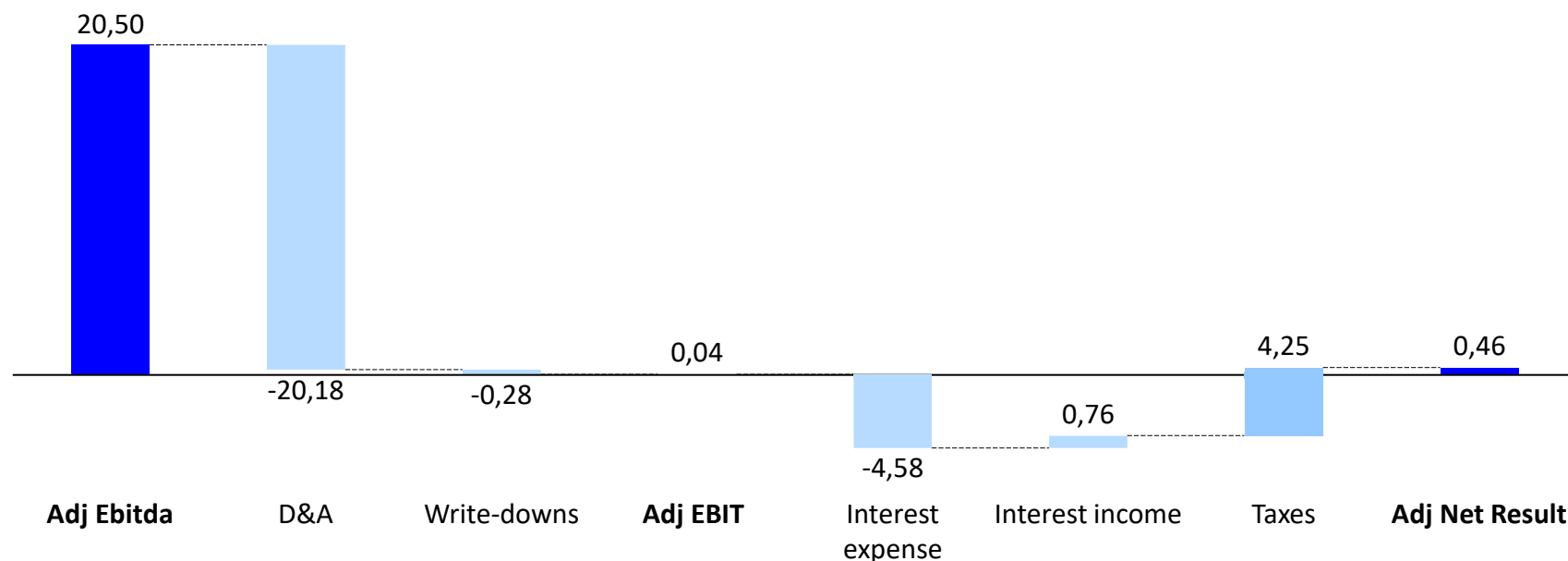
Adjusted Ebitda – Consolidated



- The Group has registered an **adjusted EBITDA of € 20,5 Mln** compared to € 5,7 Mln in 2020 and € 22 Mln in 2019
- The result registered in 2021 is **higher than expected and higher than the result achieved in 2019**, taking into account the significant **increase in the cost of raw materials** in the last quarter of 2021 and the unforeseen **increase in the energy cost**, estimated equal to € 1,33 Mln (€ 0,37 Mln for the Electric accumulators and € 0,96 Mln for Plastic materials), in addition to the raw material cost increase in the last quarter of 2021

*EBITDA/Total Revenues

2021 Key Financials – From EBITDA to Net Result

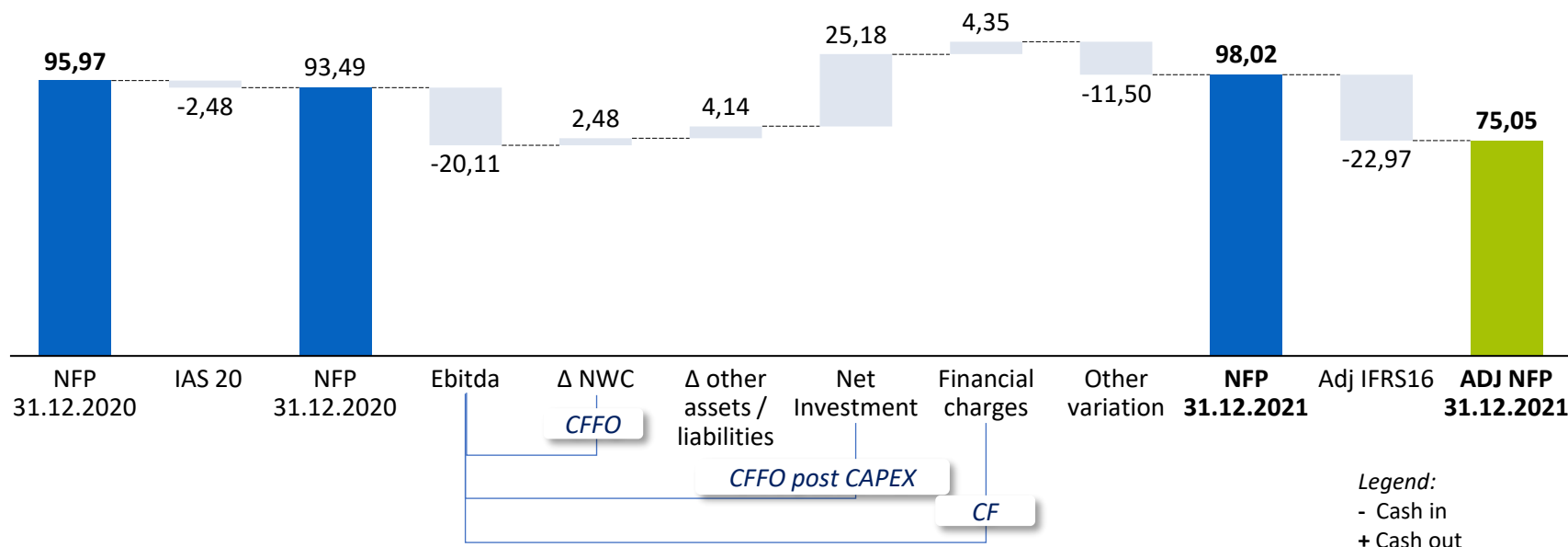


The overall Amortization for € 20,18 Mln are including the amortization of **Teverola 1** plant for **€ 8,98 Mln** and **€ 1,26 Mln** to the **Teverola 2** plant.

Adjusted Ebit for the **AS IS** business is **positive for € 38 thousand**, compared to a negative € 5,45 Mln in 2020.

Consolidated Adjusted Net Result of **€ 462 thousand** compared to a negative € 6,65 Mln in 2020.

2021 Key Financials – Bridge NFP



The **Adj Net Financial Position** is equal to € 75,05 Mln after **Net Investments for € 25,18 Mln** mainly related to **Teverola 1 project**

The **Net Financial Position** at the end of the period is equal to € 98,02 Mln and it is including € 22,97 Mln of IFRS 16 effects related to the Right of Use for lease contracts

The **cash flow from operating activities** is equal to **€ 17,63 Mln** confirming the Group's capacity to generate cash flows

Warrant Uno SERI 2017 -2022

n. Warrants expiring on 31 December 2022	83,152,837
Max. n. Shares	8,315,283
Cash and Cash equivalent	€ 41,825,877

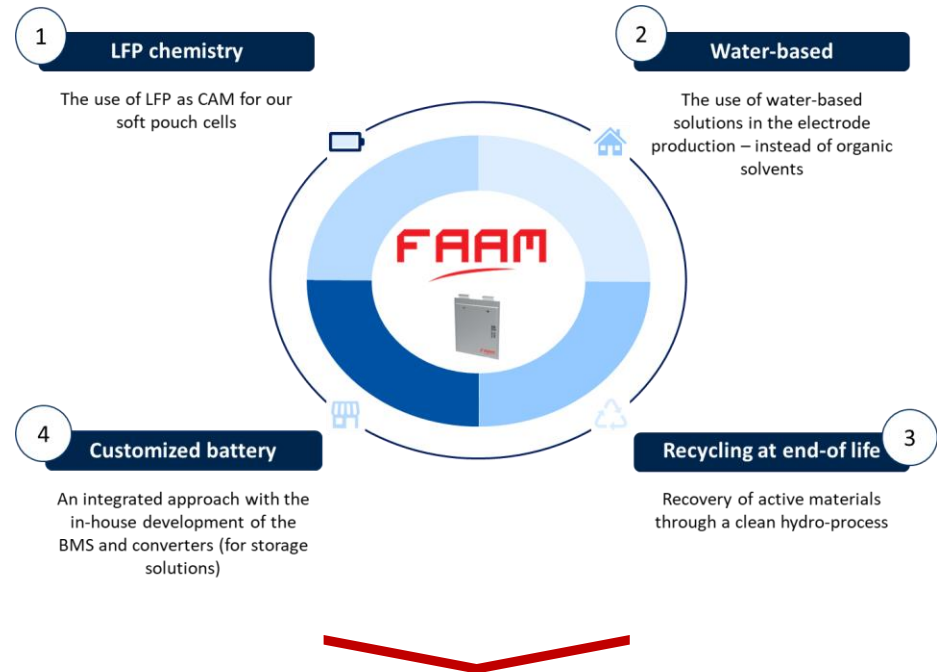
Business Update

TEVEROLA 1

RELEVANT EVENTS

- Between April and December 2021 we completed the start-up and ramp-up of the production
- The start-up at fully operations of the 330MWh/year has been delayed due to the resurgence of the pandemic and the related restrictions imposed on the mobility of plant's supplier – unable to support FIB in some periods of the year in the start up phase
- We are fully committed to an environmental-friendly product with CAMs based on LFP (Lithium-Iron-Phosphate) with water-based solutions instead of solvents – this led to more complexity in the production processes
- As of 31 December 2021 we made a total capex for Teverola 1 of about Euro 70 million (euro 60,9 million for machineries and about euro 9,6 million for R&D)
- In September 2021, the MISE has issued the final report certifying that the subsidized program had been completed
- During the first quarter of 2022 we are carrying out the certification of the lithium batteries after the stress tests

Our 4 pillars vision on lithium batteries



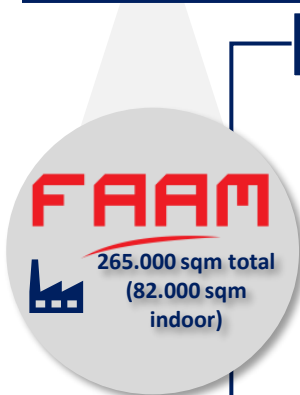
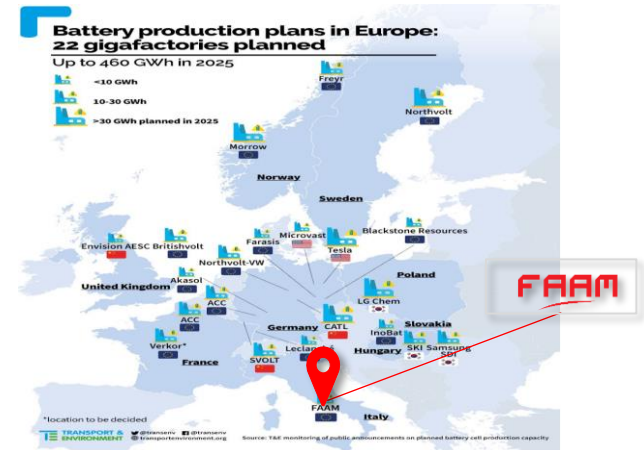
A fully integrated approach in line with our Circular Economy business model

Business Update

TEVEROLA 2 - PROJECT

IMPORTANT PROJECTS OF COMMON EUROPEAN INTEREST

December 2019	Authorization Decision from the European Commission
April 2021	Inter-ministerial Decree defining the general criteria for the operation of the IPCEI Fund
July 2021	Activation Decree enabling the ICPEI Fund in support of the IPCEI Batteries 1
December 2021	Submission of the application for the grant
March 2022	<u>Concession decree in favour of FIB amounting € 417,046,521.84</u>



A Mediterranean Gigafactory

Teverola will become the **first technological cluster** to produce lithium batteries in Italy and among the first in Europe, with an **estimated production of about 8/8,5 Gwh/year**

Building ready – no issue in the construction

Next steps

Disbursement of grants to be made within the first semester of each year – first request may be arranged as a 20% advancement of the total amounts

Activation of a specific revolving credit facility to be opened by a pool of banks – to advance the amounts of the grant

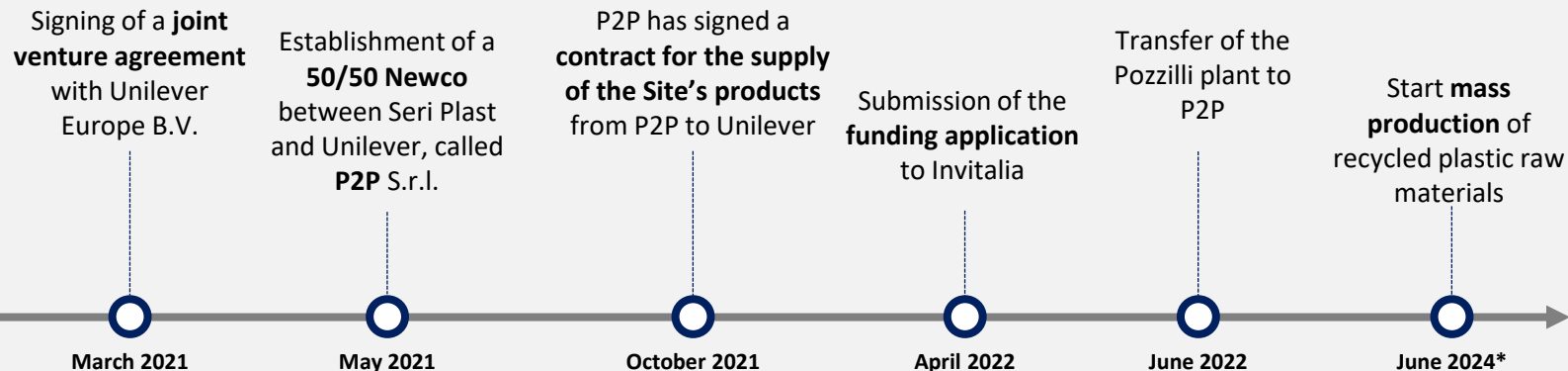
Signing of the contract with the suppliers of equipment&machinery – within the H1 2022

Business Update

JV AND OFF-TAKE AGREEMENT WITH UNILEVER



Timeline P2P




Off-take Agreement

Term of the Agreement 5 years, renewable for a further 5 years, making a total of **10 years**

Unilever's commitment to purchase at least **65 k tons/year** of recycled plastic raw materials

Unilever expected revenues **€ 110 mln/year****, € 1,1 billion in 10 years



85/90 million expected CAPEX between production investment and R&D investment to be funded by subsidized loans and non repayable grants

* The time period may be extended by a further 6 months.

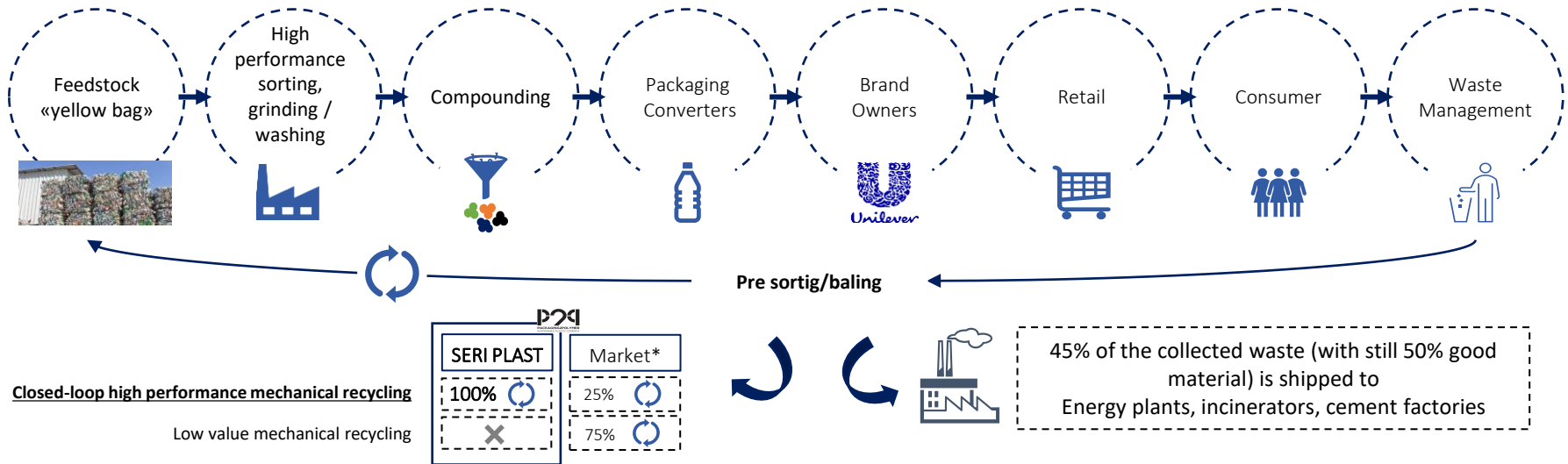
**Based on actual prices of raw materials and on the pricing formula.

Business Update

JV AND OFF-TAKE AGREEMENT WITH UNILEVER



POZZILLI PROJECT



Closed-loop high performance mechanical recycling

Low value mechanical recycling

Mechanical recycling 130k ton/y capacity

- Advanced presorting process.
- Grinding/washing/decontamination (food grade targeting on PET/HDPE/PP) – 4 lines
- Compounding/colouring – 5 lines
- Odour removal – 2 lines

Products

- rPP, rHDPE, rLDPE, rLLDPE, rPET
- Food Grade rPET

Technologies ready to produce also HDPE and PP food grades - when EU regulations will be ready to accept polymers from mechanical recycling into food packaging.

*Bain & Company, 2019



% of the recycling production

Business Update

Other events

Russia – Ukraine conflict

The on-going conflict between Russia and Ukraine has triggered a further increase in prices, an energy shortage and, as a consequence, a further increase in inflation, currently already at 5.8% in Europe, and estimated to go up to 7% by the end of 2022.

By indexing all the prices to the cost of raw materials and not having any customer or relevant supplier in the area affected by the war, the Group **does not see any risk for the business**.

Contract with Fincantieri

On 5 August 2021, **FIB has signed a contract with Fincantieri S.p.A.** for the design, development, and certification of cells and modules prototypes for **lithium-iron-phosphate batteries** for the **electric drive of U212 NFS submarines**.

The contract value is € 8.925.000 for the study and prototyping phase. During 2021 FIB has completed two advancements of the project, in addition to the down payment provided by the contract.

F&F for the development of storage solutions

FIB has established a **newco named F&F S.r.l.** under the joint ownership of FIB (60%) and Friem S.p.A. (40%) for the **realization of integrated electric accumulator/converter systems** (Battery Energy Storage Systems) to be proposed in the global market (i) for energy renewable production plants, (ii) for the balancing of the electric grid and (iii) for Mini Grid (not domestic) and Off Grid.

Exit from the so-called black list

On 28 July 2021, **Consob has communicated the elimination of the disclosure obligations** on monthly basis pursuant to art.114, paragraph 4, D.Lgs n.58/98 (also known as black list).

The Business Plan

Key Highlights

SERI has approved the Consolidated 2021-2025 Business Plan on 22 July 2021

Key Highlights of the Business plan

- **The business AS IS** (lead-acid batteries and plastic material) is included in the growth with a forecast based on commercial contracts and relationships with customers. 2021 Business plan has been substantially confirmed with actual data.
- **Teverola 1 – for the delays due to the pandemic, no revenues have been registered in 2021**
- **Teverola 1** – the forecasts are confirming that the global lithium battery demand is linked to the installed (or announced) production capacity with a production deficit in Europe



IPCEI Project – Teverola 2

- **Production capacity of about 8GWh/year** - at fully operations
- The average selling price of the battery pack is € 200/kWh, with an expected turnover at fully operation of about euro 1,5/1,6 billions
- Mass production at full capacity is expected within **2024**



Unilever Agreement – Key ratios

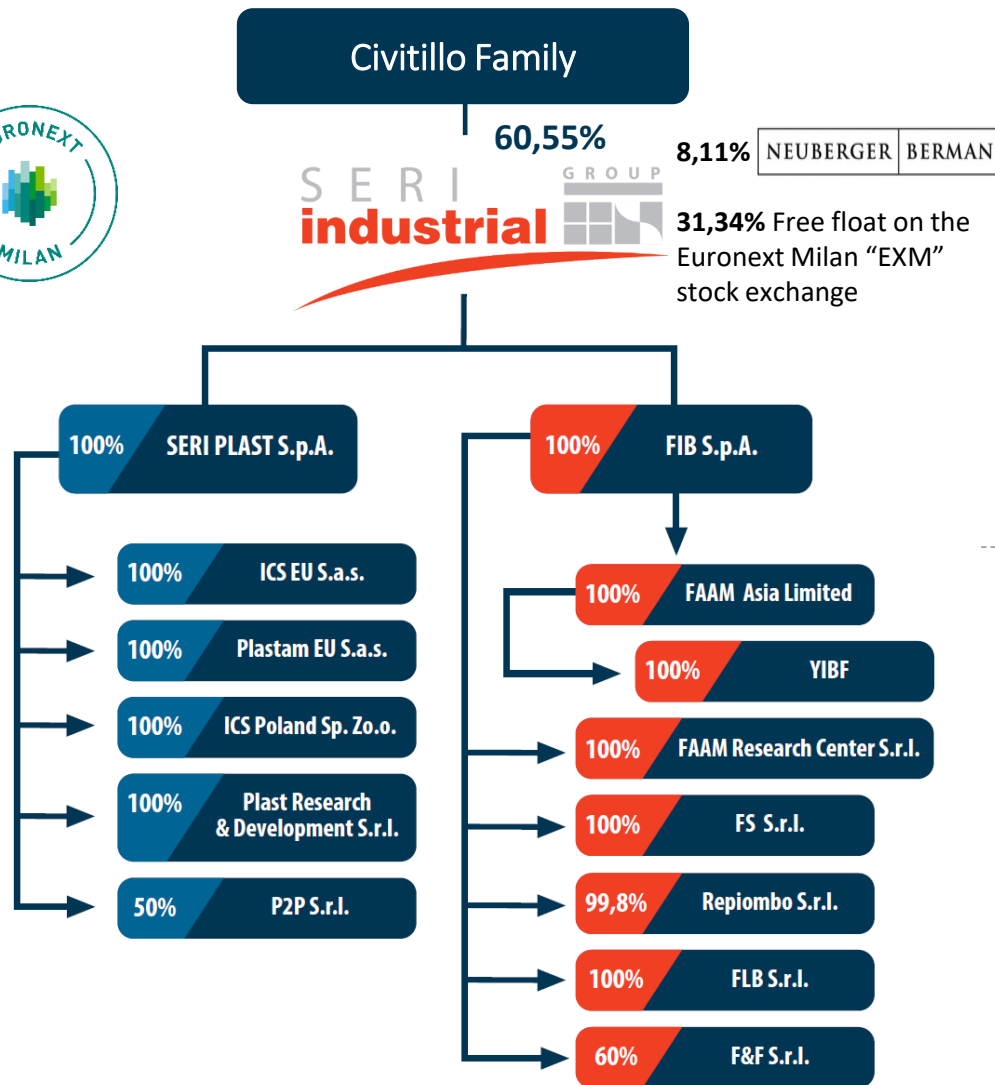
- Revenues estimates are based on a price pinned on a pricing formula linked to the raw materials price trend
- Minimum guaranteed turnover of approximately Euro **110 million per year** (based on current raw material trend), and approximately Euro **1.110 million for 10 years**



Expected revenues of the Unilever Agreement are not included in the current 2021-2025 business plan

Appendix – Business units

Group Structure



SBU	ACTIVITY
SERI PLAST SERI PLAST POLYPROPYLENE COMPOUNDS PACKAGING2POLYMER SUSTAINABLE PLASTIC COMPANY PLAST RESEARCH & DEVELOPMENT S.r.l.	Plastic Materials <ul style="list-style-type: none"> Production of special compounds for the moulding of boxes and lids for electric accumulators Production of special compounds for the automotive and packaging Production of special compounds for the moulding and extrusion of pipes and fittings for the thermo-hydro sanitary market
FIB PLANT DIVISION FAAM SERVICE RESEARCH CENTER	Electric Accumulators <ul style="list-style-type: none"> Production and recycling of lead-acid and li-ion batteries for motive power, storage, starter and special applications Design and construction of plants for the recycling of exhausted batteries

Consolidated Profit & Loss

As follows the Group's Income Statement as of 31 December 2021, compared to the results registered in the previous year:

CONSOLIDATED P&L - Euro / 000	31-dec-2021	31-dec-2020
Revenues from contract with customers	157.704	125.582
Other operating revenues	11.643	3.927
Internal works	7.773	4.482
Total revenues, income and internal works	177.120	133.991
Operating costs	157.006	130.888
Gross Operating Income - EBITDA	20.114	3.103
Amortization and Depreciation	20.184	12.150
Write-downs/write-backs	811	1.615
Net Operating Income - EBIT	(881)	(10.662)
Interest income	753	416
Interest expense	4.580	4.158
Income (expense) from associated companies	4	287
Net result before tax	(4.704)	(14.117)
Taxes	(3.210)	(9.814)
Consolidated Net Result	(1.494)	(4.303)

Consolidated Balance Sheet

As follows the Group's Balance Sheet at 31 December 2021, compared to the balance sheet at the end of the previous year:

CONSOLIDATED BS - Euro / 000	31-dec-2021	31-dec-2020
Current assets	153.734	127.540
Non-current assets	192.316	183.776
Assets	346.050	311.316
Current liabilities	153.733	107.107
Non-Current liabilities	71.383	90.247
Group Net equity	120.520	113.595
Minority interests	414	367
Consolidated Net Equity	120.934	113.962
LIABILITIES AND NET EQUITY	346.050	311.316

Plastic Materials – P&L

As follows the economic trend at 31 December 2021 compared with the same period in the previous year:

P&L - Euro / 000	31/12/2021	31/12/2020	Variation	Variation %
Revenues from contract with customers	99.133	73.662	25.471	35%
Other operating revenues	2.876	1.910	967	51%
Internal works	2.683	2.742	(60)	(2%)
Total revenues, income and internal works	104.692	78.314	26.378	34%
Operating costs	93.532	73.120	20.412	28%
Gross Operating Income - EBITDA	11.160	5.194	5.966	115%
Amortization and Depreciation	6.786	6.134	652	11%
Write-downs/write-backs	317	692	(375)	(54%)
Net Operating Income - EBIT	4.056	(1.633)	5.689	348%
Interest income	33	15	18	121%
Interest expense	1.798	1.689	109	6%
Net result before tax	2.291	(3.307)	5.598	169%
Taxes	1.340	(4.185)	5.525	132%
Net Result	951	877	73	8%

Electric Accumulators – P&L

As follows the economic trend at 31 December 2021 compared with the same period in the previous year:

P&L - Euro / 000	31/12/2021	31/12/2020	Variation	Variation %
Revenues from contract with customers	61.113	53.140	7.973	15%
Other operating revenues	8.745	2.133	6.612	310%
Internal works	4.695	1.740	2.955	170%
Total revenues, income and internal works	74.553	57.013	17.540	31%
Operating costs	64.767	57.440	7.328	13%
Gross Operating Income - EBITDA	9.785	(427)	10.212	2.391%
Amortization and Depreciation	13.221	5.859	7.362	126%
Write-downs/write-backs	492	821	(329)	(40%)
Net Operating Income - EBIT	(3.928)	(7.107)	3.179	45%
Interest income	682	374	308	82%
Interest expense	2.641	2.713	(72)	(3%)
Net result before tax	(5.886)	(9.445)	3.559	38%
Taxes	491	(2.162)	2.653	123%
Net Result	(6.377)	(7.284)	907	12%

Consolidated Net financial position

As follows the Group's Net Financial Position:

NFP - Euro / 000	31/12/2021	31/12/2020	Variation	Variation %
Cash	19.500	7.830	11.670	149%
Cash and cash equivalents	1.702	2.289	(587)	(26%)
Other short-term financial assets	509	500	9	2%
Total Liquidity C = (A + B + C)	21.711	10.619	11.092	104%
Short-term bank debts (including debt instruments, but excluding the short-term portion of long-term financial debt)	40.252	35.503	4.749	13%
Short-term portion of long-term financial debt	40.777	10.301	30.476	296%
Short-term financial Debt G = (E + F)	81.029	45.804	35.225	77%
Short-term Net Debt H = (G - D)	59.318	35.185	24.133	69%
Long-term bank debt (excluding short-term part and debt instruments)	8.700	32.400	(23.700)	(73%)
Payables and other long-term debts	30.000	28.382	1.618	6%
Long-term financial debt L = (I + K)	38.700	60.782	(22.082)	(36%)
Total Net Financial Position (H+L)	98.018	95.967	2.051	2%
IFRS 16 adjustment	22.971	19.004	3.967	21%
Net Adjusted Financial Position	75.047	76.963	(1.916)	(2%)

Special items

As follows a summary of special item impact as of 31 December 2021:

Special items	31/12/2021	31/12/2020
Gross Operating Income - EBITDA	20.114	3.103
Net Operating Income - EBIT	(881)	(10.662)
Net Result	(1.494)	(4.303)
Revenues	(2.105)	0
Insurance reimbursement	(346)	0
Business unit divestiture	(810)	0
Non recurring income	(949)	0
Operating costs	2.493	2.611
Disposal of Avellino assets	305	0
Extraordinary plant downtime charges	266	0
Business unit divestiture	252	0
Claim & Litigation	1.552	1.269
Operating costs Covid-19 emergency	118	100
FS and Teverola start up costs	0	429
Adjusted inventory costs (LME adjustment)	0	570
FIB and Seri Plast extraordinary costs	0	243
Impact on EBITDA	388	2.611
IFRS 16 lease amortisation Teverola 1	0	1.030
Depreciation and write down/write backs	531	1.572
Impact on EBIT	919	5.213
Financial charges lease IFRS 16 Teverola 1/2	0	526
Impact on pre-tax profit	919	5.739
Deferred taxes on revaluation of assets	1.277	6.826
Theoretical tax effect	240	1.260
Impact on Consolidated Net Result	1.956	2.347
Adjusted EBITDA	20.502	5.714
Adjusted EBIT	38	(5.449)
Adjusted consolidated profit (loss)	462	(6.650)