SERI industrial GROUP

BUILDING GREEN COMPANIES FOR A BETTER TOMORROW

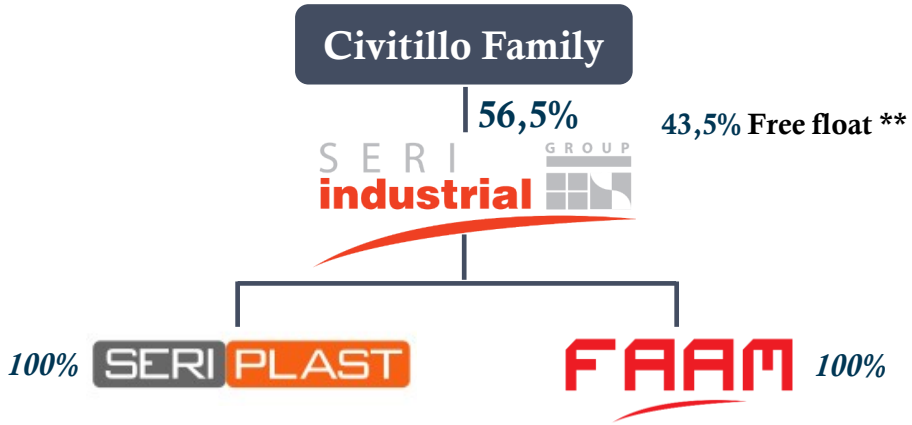
Investor Presentation- 2024

INTRODUCING SERI

Seri Industrial is a Group of companies with an **extensive legacy in plastic materials processing and recycling**, and in the **development and production of customized lithium-ion and lead-acid battery systems**

In the last years SERI is emerging as a **leading player in Europe's energy and ecological transition**, thanks to the **1st plant in Italy** & Southern Europe for the mass production of **lithium cells, modules & battery solutions,** and to one of the **biggest project in Europe** for the **recycling of post-consumer packaging**

SERI AT A GLANCE



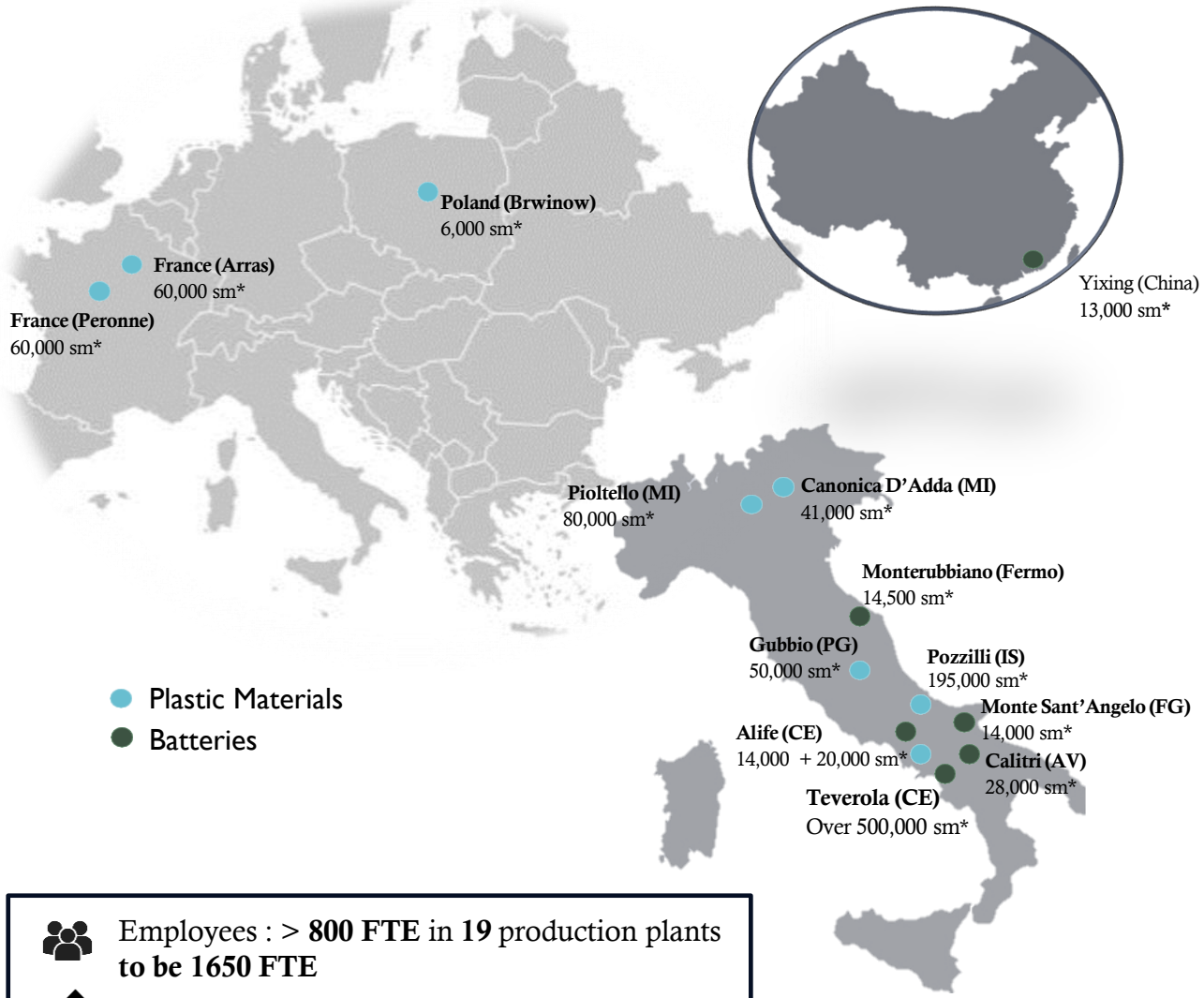
SERI Industrial is a company listed on Milan's Euronext ("EXM") stock exchange; it is a **vertically integrated player** along the supply chain of batteries and plastic materials.

- **SERI PLAST (Plastic Materials):** active in the **processing and recycling of plastic materials** for battery, automotive and thermo-hydro sanitary markets, as well as in the **recycling and transformation of post-consumer packaging waste** into raw material for the consumer goods market through a JV with Unilever (**P2P**)

SERI PLAST POLYPROPYLENE COMPOUNDS · ICS · coes · P2P PACKAGING2POLYMER SUSTAINABLE PLASTIC COMPANY

- **FAAM (Batteries):** active in the **production** of **li-ion cells, modules and battery systems** for ESS, industrial and special applications**;** production of **lead-acid batteries** for traction, starter and stationary applications; **recycling** of end-of-life batteries, **from plant design** to **recovery** of materials

FAAM · PLANT DIVISION · repiombo · Car Bat · FAAM SERVICE



Employees : > **800 FTE** in **19** production plants **to be 1650 FTE**

Revenues : **200 M€** (FY 2023), **2 Billion expected by 2026**

Investments : 2017-2023 **205 M€ , > 600 M€ in the next 2 years**

* Indoor + outdoor ** % on voting right **28,1% (Civitillo Family at about 72%)**

BACK TO OUR STORY

TOWARD A VERTICAL INTEGRATED MODEL – LEGACY

1999 – 2010

- Civitillo's family founds the SERI Group as a consulting company, engineering and real estate
- Start up of **SERI PLANT Division** (turnkey plants for the recycling of end-of-life batteries) and **PP Compounds production**

2010 – 2016

The company executes several acquisitions:

- **Plastam and ICS** (moulding of plastic boxes and lids for batteries)
- **COES** (extrusion and moulding of pipes and fittings for building applications)
- **FAAM** (production of battery systems)
- **Exide**'s plastic production plant
- **Lithops** (R&D center for the lab-development of LPF cells)
- **Repiombo** (recycling of EOL batteries)
- IMI Fondi Chiusi (now **Neuberger**) enters the share capital of Seri

2017 – 2018

- Acquisition and industrial conversion of Whirlpool's plant in Teverola and **start-up of lithium project**
- Seri goes public through a reverse merger in a natural shell company

2019- 2022

- **TEVEROLA 1** Pilot Line investment and production started

THE LATEST UPDATES – NEW INITIATIVES

TEVEROLA 2

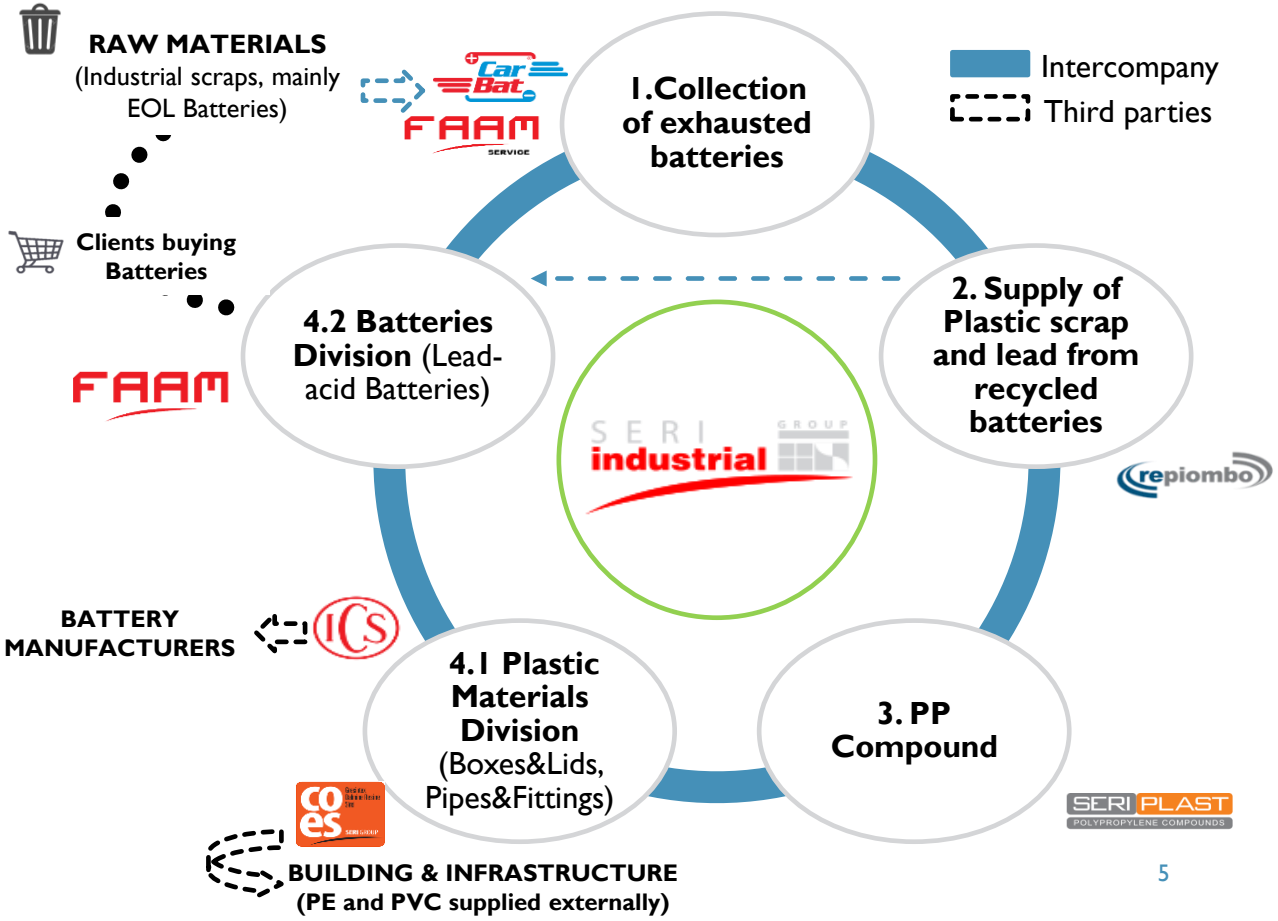
- In 2019 the European Commission approves the EU IPCEI project (**TEVEROLA 2, 8GWh/year Gigafactory**)
- **Start-up of activities related to Teverola 2** and **issuance** of the Ministry of Economic Development decree, granting a **subsidy** of **more than €500 million** to support the project
- By 2026 production start-up is expected for beyond-state-of-the-art lithium cells

P2P

- In 2021 **sign of JV agreement with Unilever and establishment of P2P** (production of recycled plastic polymers from post-consumer packaging) with the goal to reindustrialize an existing Unilever plant
- In 2022 **sign of the Development Contract by MIMIT** and Invitalia, granting a financial **support of €82 mln,** and completion of the **plant layout design**

CIRCULAR ECONOMY IN OUR LEGACY BUSINESS

"The mission of Seri Industrial is to accelerate the energy and ecological transition towards sustainability and decarbonization, controlling the entire supply chain of batteries and plastic material. The activities shape a fully integrated cycle and recovery of raw materials, representing a unique example of Circular Economy."



OUR LEGACY BUSINESSES

SERIPLAST
POLYPROPYLENE COMPOUNDS

Recovery of plastic scrap from EOL batteries: recycled PP Compounds (Serilene and Serifill) for the automotive and battery market

✓ Revenues ~22,6 M € (**98%** aligned*)

FAAM

Lead-acid Batteries for:

Motive Power : Top Endurance; Tubular Traction Maxi; Tubular Traction Star; TraLeg- Heavy Plus Technology

Stand-by Power : FLOODED; VRLA GEL; VRLA AGM

Starter Power (no OEM) : Power Technology and Energy Technology for heavy duty and special vehicles

✓ Revenues ~ 65,8 M€ (**100%** aligned*)

coes — Gresintex, Balmine Resine, Sirci — SERI GROUP

Pipes and fittings for Building: Gravity or pressurised waste discharge systems; adduction and heating systems

Pipes for Infrastructure: PVC pipes; PVC pressure pipes; PE for pressurised water and gas pipelines; Enki modules

✓ Revenues ~ 39,3 M € (**20%** aligned*)

ICS

Lead Battery Market (plastic boxes): Battery boxes; Arrestors devices for boxes; Battery pole handles; Battery lids

✓ Revenues ~ 45,9 M € (**60%** aligned*)

* with the EU Taxonomy Regulation

LITHIUM ACTIVITY FAAM

The 1st **plant in Italy** & Southern Europe for the mass production of **lithium cells**, modules & **battery solutions**

100% made in Italy

100% Cobalt free

95% target **recyclable** quantity in % of spent battery

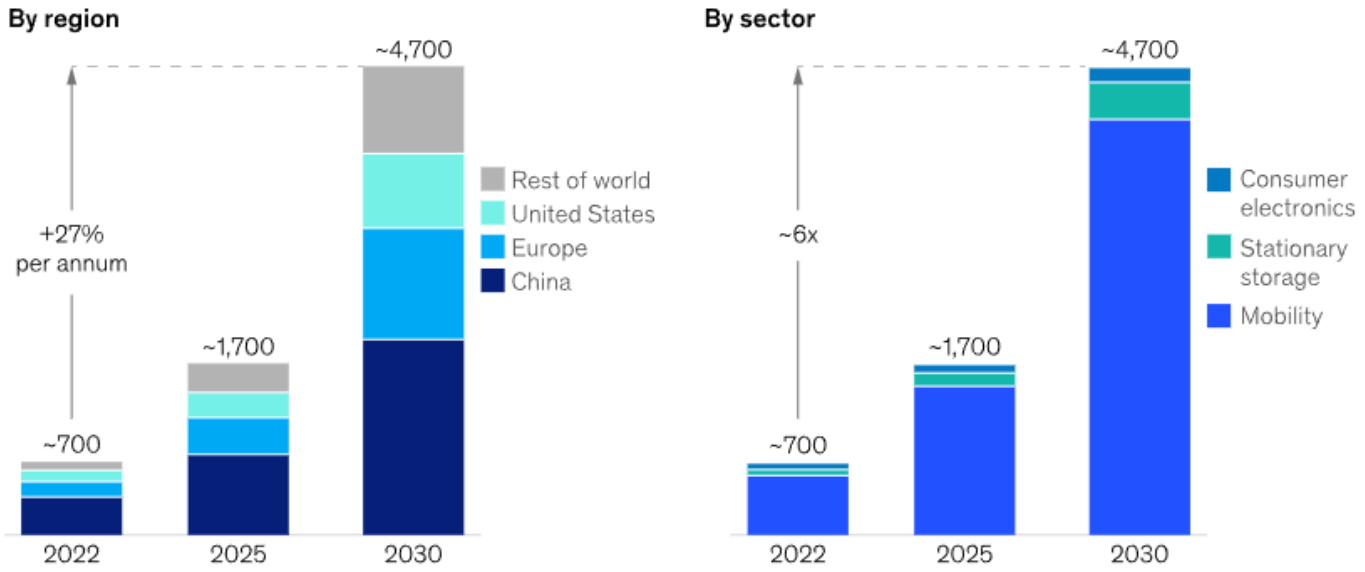
- LFP/LMFP technology as cathode active material
- Water-based solution in the electrode production (instead of organic solvents)
- Customized battery with the in-house development of the BMS and converters
- Recycling at end-of-life of active materials through a clean hydro-process

From R&D activities to the **first production line TEVEROLA 1** and the Mediterranean **Gigafactory TEVEROLA 2**

AN EXPONENTIALLY INCREASING DEMAND

The World needs Batteries

Global Li-ion battery cell demand, GWh, Base case



[1]Including passenger cars, commercial vehicles, two-to-three wheelers, off-highway vehicles, and aviation.
Source: McKinsey Battery Insights Demand Model

McKinsey & Company

Especially Europe:

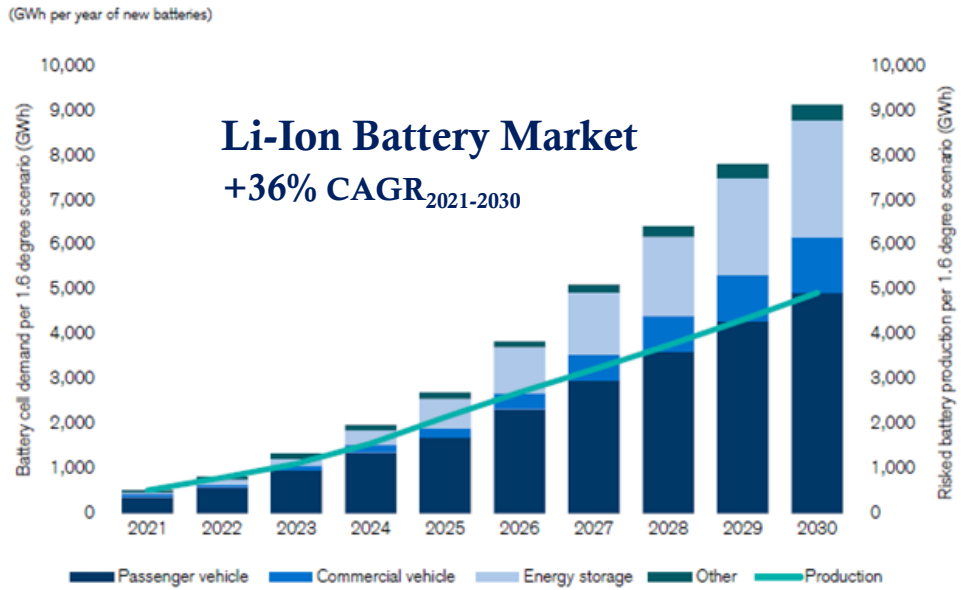
- Li-Batteries have a strong share in the Green technologies to meet the EU goal cutting gas emissions by 55% before 2030
- There is a shortfall in supply, where there are few domestic manufacturers (mainly battery assemblers) in a high-growing demand context

MARKET FORECAST – BATTERIES

The global Li-ion battery market is estimated to grow to about 9,000 GWh by 2030, compared to around 580 GWh in 2021.

Global Li-ion batteries cell demand

GWh, base case



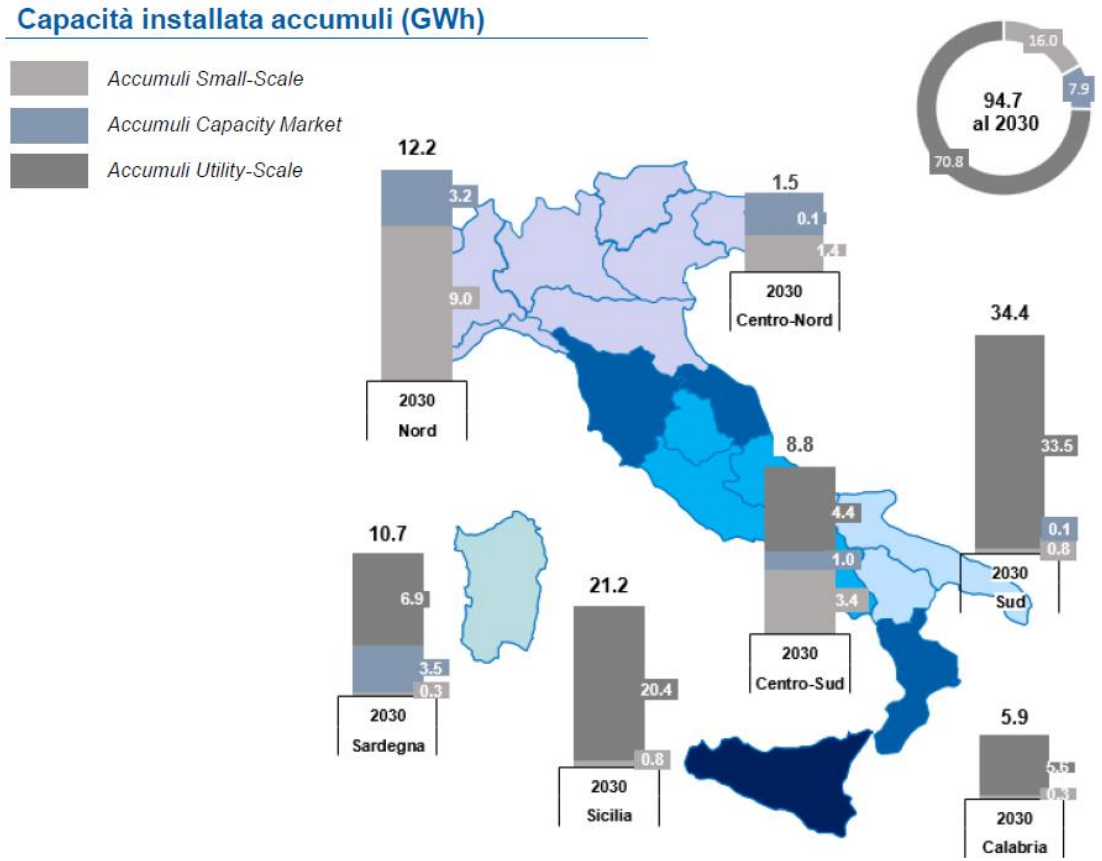
- More specifically, the global passenger vehicle and **energy storage applications market** account for the largest increase in estimated demand.

- **ESS applications**, a segment of particular importance for the Group, **are estimated to reach around 2,500 GWh, equal to 29% of the total demand for lithium batteries by 2030**, compared to 139 GWh in 2021.

Global demand for batteries is increasing, driven largely by the imperative to **reduce climate change** through electrification of mobility and the broader energy transition

[1] Global battery demand to surge by 2030,Rystad Energy Battery

MARKET FORECAST - STORAGE IN ITALY SPLIT BY AREA



The FF55 scenario predicts that almost 100 GWh of additional storage will be needed by 2030 to meet policy targets and curb overgeneration:

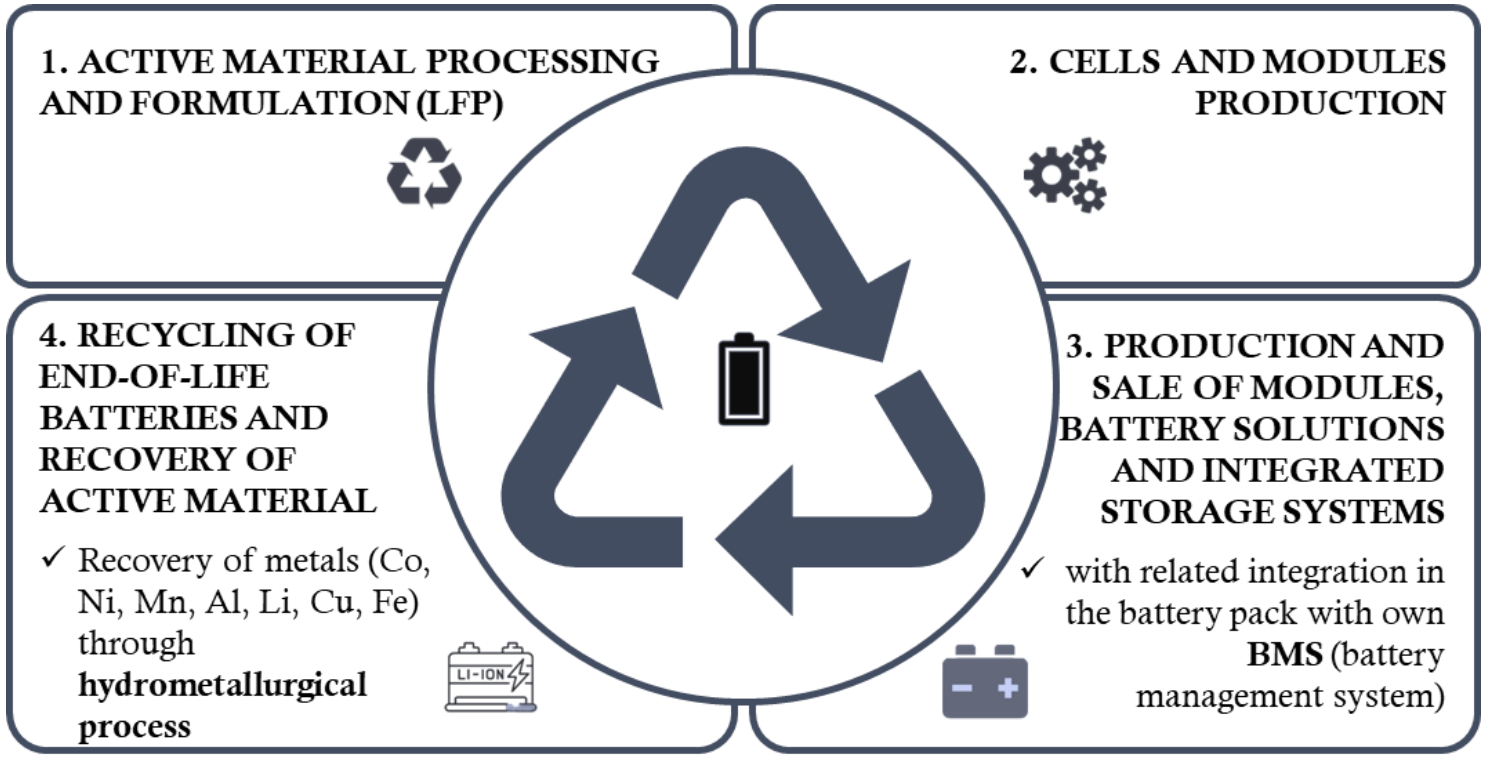
- About 71 GWh utility scale;
- about 8 GWh capacity market;
- 16 GWh small scale (batteries associated with rooftop photovoltaics).

Big systems **> 1 MWh**

Small systems **< 1 MWh**

LITHIUM CIRCULAR ECONOMY MODEL

The goal is to leverage the already established Vertical Integration of the Group

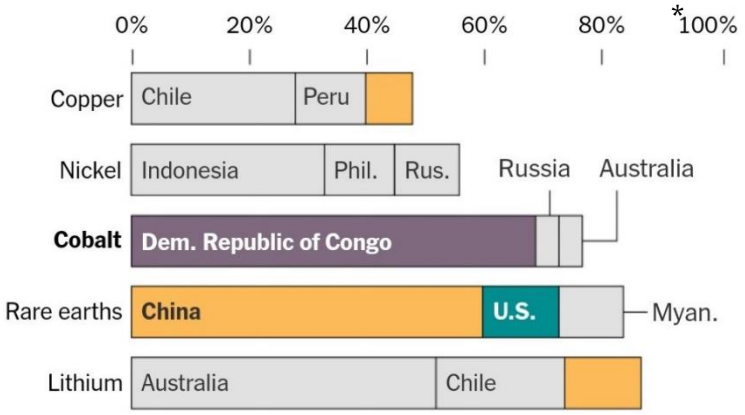


✓ **Cells production** based on sustainable cathodes and anodes to produce **safe, high performing and green** lithium-ion electrodes

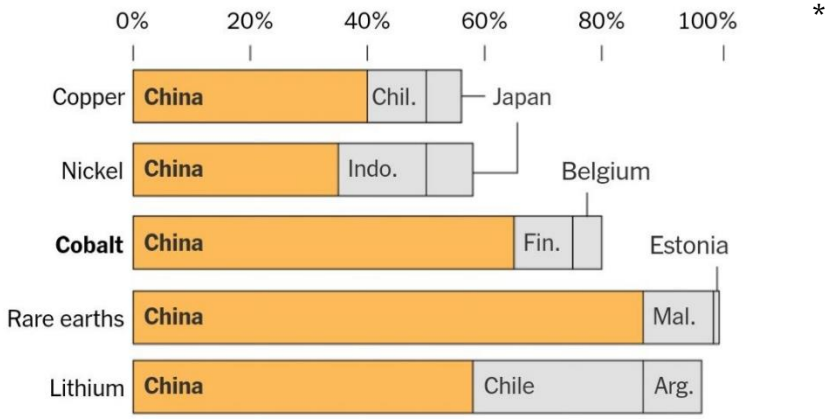
✓ New technologies development such as **sodium-ion** and **ASSB** (all solid-state batteries).

WHY COBALT AGNOSTIC?

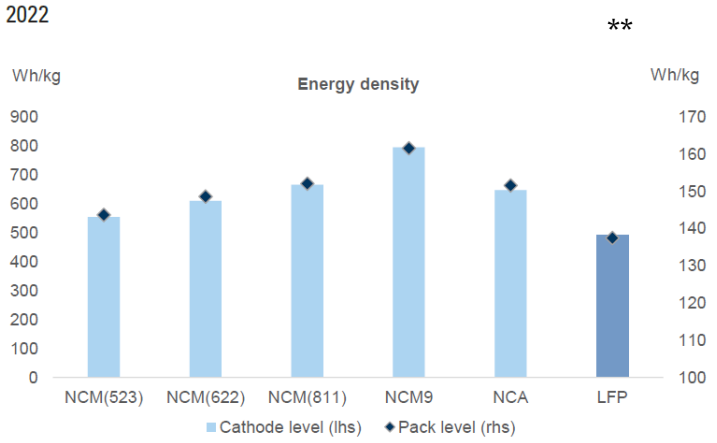
The production of key mineral resources is highly concentrated today. Chart show **top three producers**.

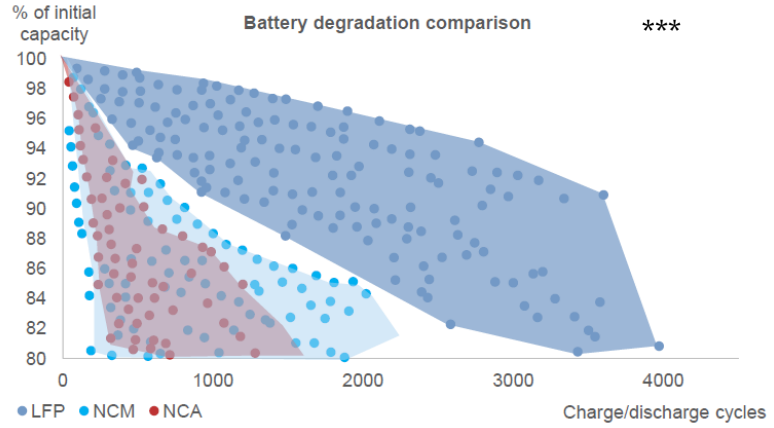


China dominates the refining and processing of key metals.



LFP has a lower energy density than NMC…**but degrades at a much lower speed**





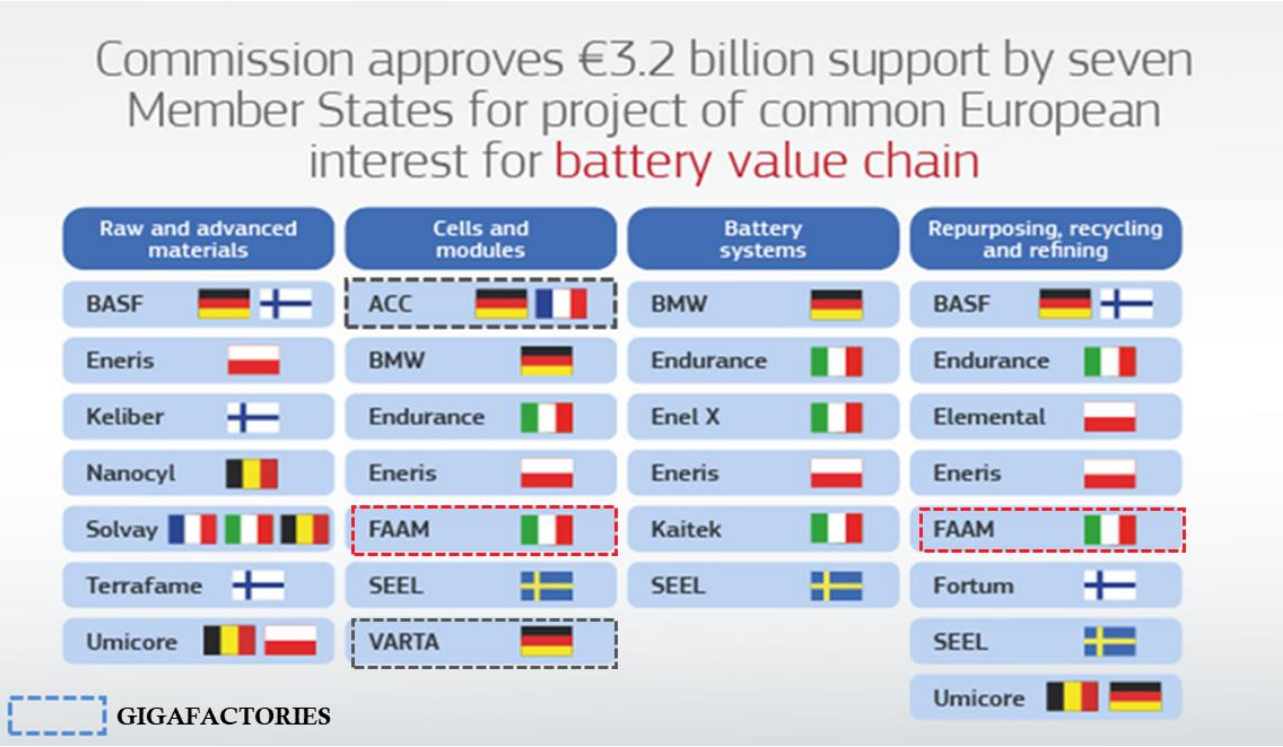
*Source: International Agency – By The New York Times

**Source: Company data, Wood Mackenzie, SNE Research, Goldman Sachs Global Investment Research

***Source: Pregel et al. (2020)

EU IPCEI PROJECT

FAAM success story as 'Made in Italy' booming EU position, creating independency from Asia



- Member States: Belgium, Finland, France, Germany, Italy, Poland and Sweden
- Integrated project comprising 4 workstreams, covering the battery value chain
- 17 undertakings (some active in more than one Member State) will receive State aid
- 505 M€ assigned to FAAM

A EUROPEAN BATTERY VALUE CHAIN

IPCEI FUNDING TIMELINE

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 IPCEI Fund as support of the **IPCEI Batteries 1**

October 2021 — Submission of the **application for the grant**

March 2022 — **Concession decree** in favor of FIB amounting € 417,046,521.84 (to be increased)

August 2023 — **Received** the first disbursement of approximately **EUR 84 million** of the subsidy (20% of the total amounts)

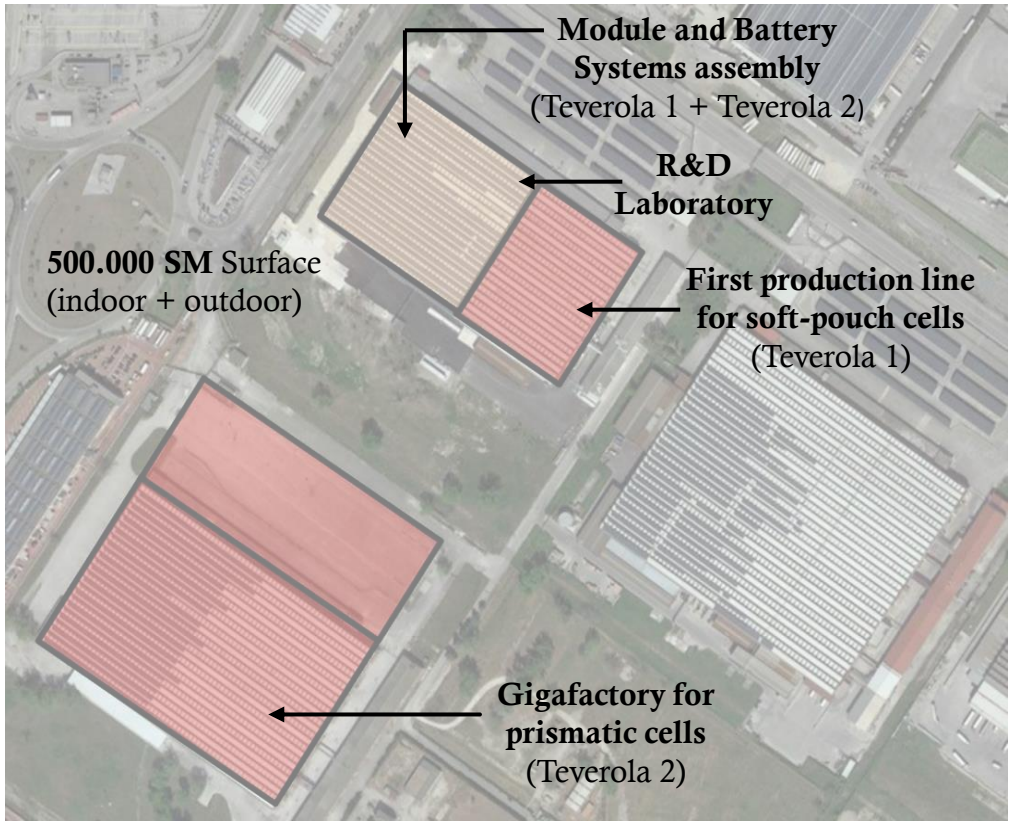
January 2024 — **Published** the **integrative decree** of the resources to cover the entire project requitements (additional € 88,796,678.16)

Next Steps

IPCEI BATTERIES

Disbursement of grants to be made within the first semester of each year → 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 – talks are currently underway • • •

TEVEROLA 1&2 PROJECTS DEEP DIVE



	TEVEROLA 1	TEVEROLA 2
Capacity	**0.3** GWh	**8** GWh
Cell Format	Soft Pouch	Prismatic
Technology	▪ **LFP** soft pouch (50Ah) ▪ High energy density and safe applications ▪ Integrated **BMS** ▪ **Water based** solutions	▪ **LFP/LMFP** with graphite anodes ▪ **R&D on Generation 4** (solid state) + sodium-ion
Investments	**€70** Million	**+ €505** Million (fully funded through **EU IPCEI** project) ▪ **50 ton/day of battery treatment** in the recycling pilot line

- **A dedicated cluster for the mass production coupled with R&D Laboratory** co-located with production realizing coin cell to multi-layer pouch cell
- **High-level partnerships** with leading European industrial players

LITHIUM BATTERY SYSTEM PRODUCT RANGE

ALL MADE WITH IN-HOUSE MANUFACTURED CELLS

LiHOME

DOMESTIC STORAGE

- ✓ **Wi-Fi communication** IOS/Android App (on request)
- ✓ **Plug & Play solution** (online down-load via QR code). Stand-alone solution
- ✓ **Wall or floor installation** (stackable/ side by side)
- ✓ **Energy saving**: efficiency > 98 %

SPECIAL APPLICATION

- ✓ **Military Applications**
- ✓ **Naval** (solutions for maneuvering and mooring in the naval fields)
- ✓ **Public Transports** (conversion of buses into hybrid motorization and realization of an all-in-house platform)
- ✓ **Charging Stations** (from a single tower to a multi-connected service station)

LiTRACTION

MOTIVE POWER

- ✓ **Tailor made projects**: unlimited configurations opportunities; customized design
- ✓ **Plug & Play solution**
- ✓ **Remote service** available
- ✓ **Lifecycles:** > 4.000 cycles (DOD 80%) – 13.000 work hours
- ✓ **Energy saving**: efficiency > 98 %

LiRACK
LiBESS

STORAGE SYSTEMS
(BESS and C&I solutions)*

- ✓ **Tailor made projects**: unlimited configurations opportunities; customized design
- ✓ **Plug & Play solution**
- ✓ **Remote service** available
- ✓ **Turnkey solution** opportunity
- ✓ **High safety level**

* Battery Energy Storage Systems and Commercial & Industrial

JV WITH UNILEVER: P2P, A SUSTAINABLE PLASTIC COMPANY

A 50/50 Newco, supported by MIMIT (Ministry of Industries and Made in Italy), with a shared vision of **promoting sustainability in the plastic industry**.

Strategic Partnership with Unilever

- The JV is reconverting an industrial facility originally owned by Unilever (home care products production)
- Off take agreement of 10 years
- Unilever is committed to purchase at least 65 k tons/year of recycled plastic raw materials (50% of the max. production capacity of 130 tons/year)
- Fixed price (pricing formula indexed to raw material quotations)

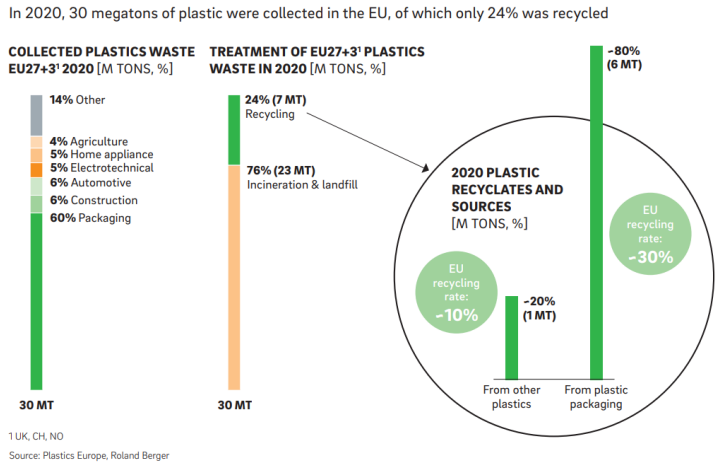
THE IMPORTANCE OF PLASTIC RECYCLING

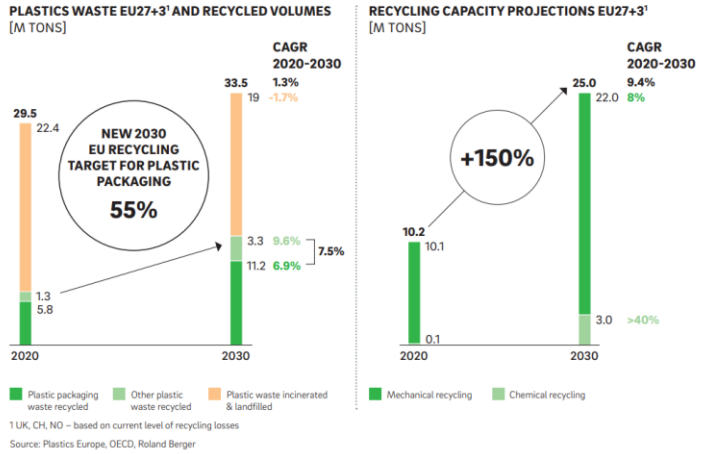
Plastic has a broad range of applications and is a key component of a large number of products. **Plastic volumes** produced have been significantly raising during the last decades and are still **expected to grow** in the future (**1.4%** p.a. for Europe to 2030)

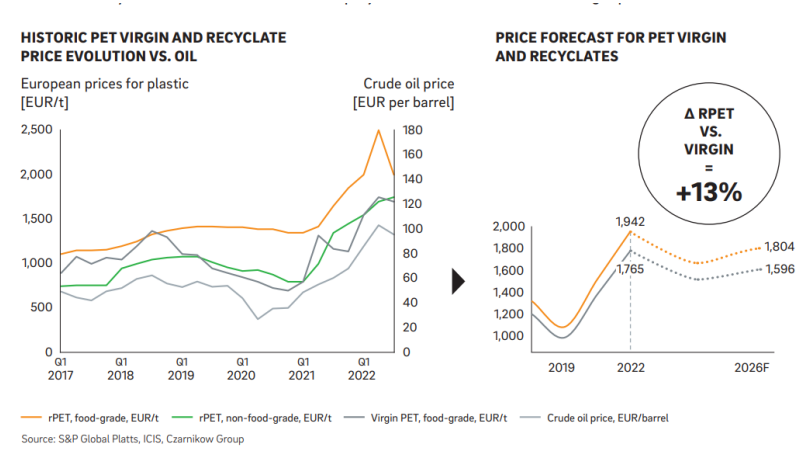
- **Uncovered plastic** is a significant environmental problem that requires urgen action

- To achieve the **EU 55% target** for plastic packaging recycling, recycled **volumes will have to almost double by 2030**

Recyclate prices,have been trading slightly above virgin prices in recent times. This is the result of **a sustainability premium**







As a result, **bigger margins** are expected for producers

PROJECT PILLARS

This partnership, brings together the **Seri Plast's extensive know how** and the Unilever's goals of **halving the use of virgin plastic** for packaging by 2025 which forms part of the "*Clean Future*" project.

March 22, 2021

Signed the Joint Venture **agreement** between SERI Plast S.r.l. and Unilever B.V.

May 14, 2021

Announcement of the formation of **P2P**, a **50/50 Newco** between Seri Plast and Unilever

October 29, 2021

P2P **signed a Framework Offtake Agreement** for the supply of the Site's products from P2P to Unilever

December 19, 2022

Completion of the plant layout design, ongoing the **demolition** and removal of old plants

Project financing

The investment

About € 109 million expected CAPEX between production investment and R&D investment **to be funded for €40mln by non-repayable grants and for €42mln** by subsidized loan for a total of **€82mln**.

Jun. 22, 2022

Funding application submitted to **Invitalia**

Dec. 19, 2022

Invitalia begins incentives approval procedures

Jun. 20, 2023

MIMIT and Invitalia **signed the Development Contract for financial support of €82 mln**

CLOSED-LOOP PLASTIC RECYCLING

By recycling uncovered plastic (plastic waste that is non collected, recycled or properly disposed), we are able to **reduce** the amount of **waste** that ends up **in landfills and oceans**

	P2P	Market*
Closed-loop high performance mechanical recycling	100% ♻	25% ♻
Low value mechanical recycling	✕	♻

♻ % Of the recycling production

*Bain & Company, 2019

INFLOWS AND OUTFLOWS

Where does plastic come from?

Pre-sorted plastic packaging waste Italian and European collectors

Mixed material bales from Municipal Solid Waste (MSW), avoiding incineration and/or landfill

180k tons of plastic waste to be treated (Feedstock – input)

It could be an opportunity **exploiting Unilever channels**

Other future objectives:

- ✓ **formalizing agreement** with «centri di compattazione» and incenerators
- ✓ **Receiving mixed plastic** directly from collectors
- ✓ **Exploring** the opportunity to manage and process mixed materials

Where does plastic go to?

The 50% goes to **Unilever** as agreed

% to B2C Companies in various sectors:

Lifestyle

Home care

Food&Beverage

Skin Care

130k tons/y of plastic produced (final output)

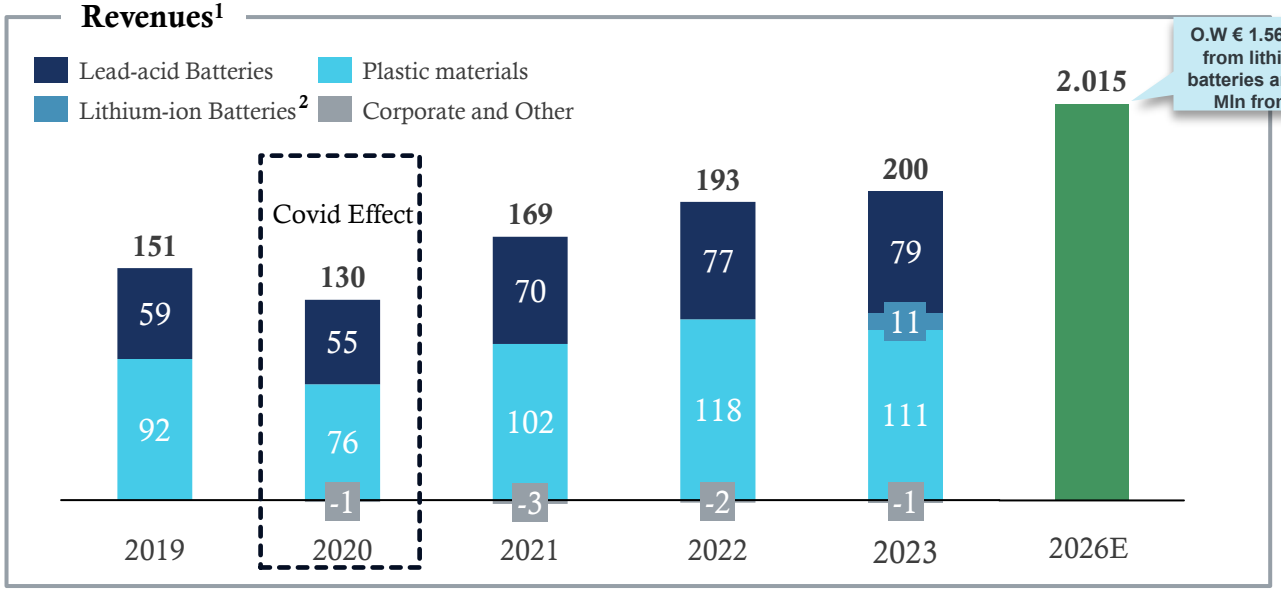
% SERI INDUSTRIAL Historical Clients

% Other **SERI INDUSTRIAL** Brands

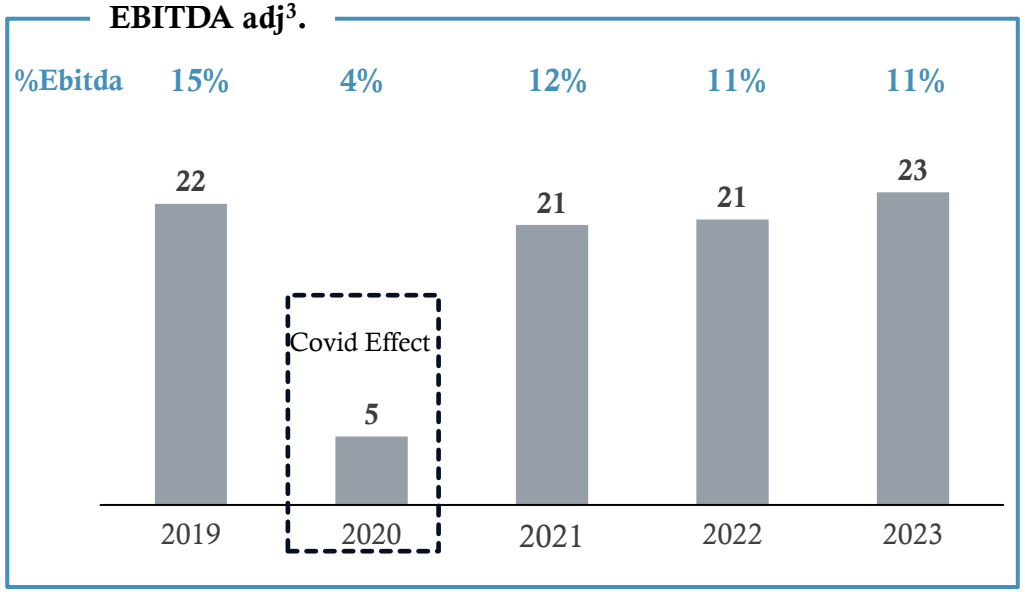
CONSOLIDATED KEY ECONOMICS AND FINANCIALS

(€M)

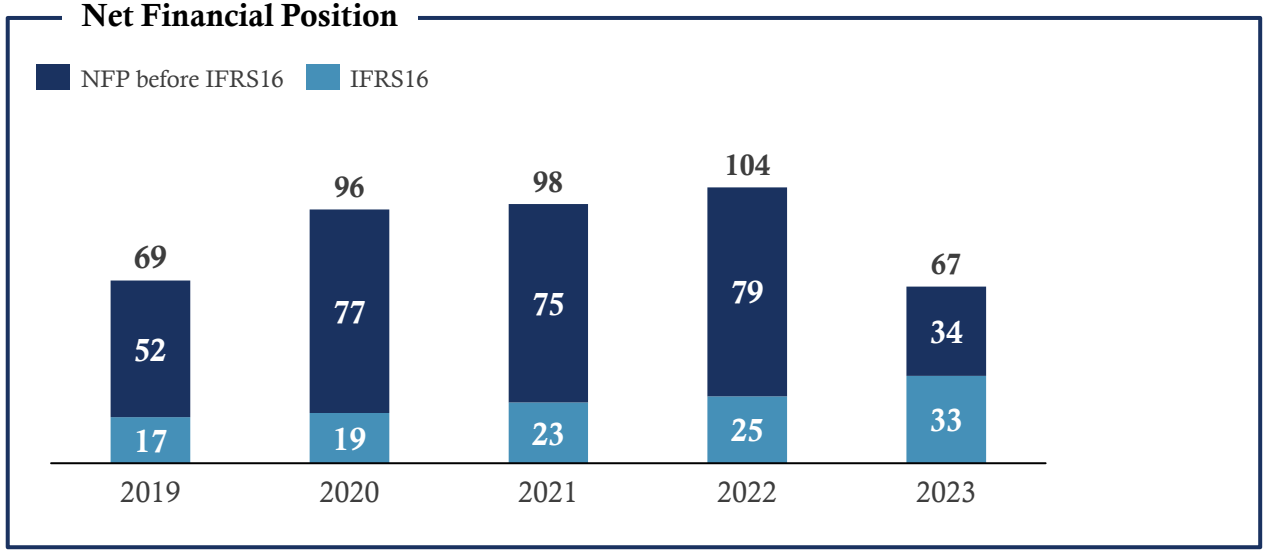
Revenues[1]



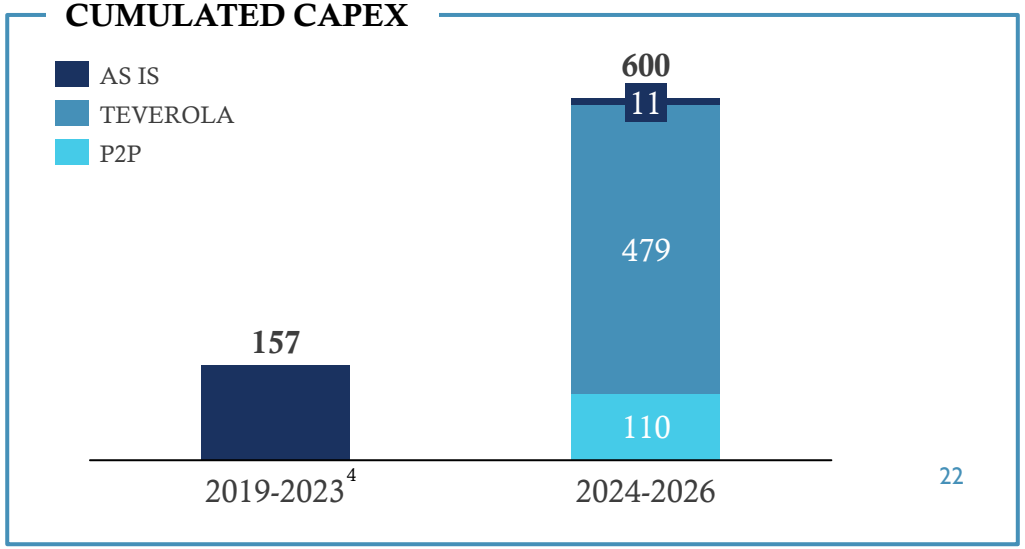
EBITDA adj[3].



Net Financial Position



CUMULATED CAPEX



1 Includes Revenues, income and internal works
2 Related to Residential Storage (Li-Home)
3 Includes non-recurring items related to the higher energy costs
4 Comprehensive of € 8 mln Capex IFRS

BUILDING GREEN COMPANIES FOR A BETTER TOMORROW

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