



# First Half 2022 Results

September 19, 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 as of June 30, 2022, contained here in correspond to document results, books and accounting records.



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# 1H 2022 Highlights

€ 101,477 <sup>thousands</sup>

**TOTAL REVENUES**

€ 84,433 thousands in 1H 2021

€ 9,071 <sup>thousands</sup>

**ADJUSTED EBITDA**

€ 8,193 thousands in 1H 2021

€ (1,716) <sup>thousands</sup>

**ADJUSTED EBIT**

€ (885) thousands in 1H 2021

€ (4,286) <sup>thousands</sup>

**CONSOLIDATED ADJUSTED  
NET RESULT**

€ (3,609) thousands in 1H 2021

€ 236,816 <sup>thousands</sup>

**NET INVESTED  
CAPITAL**

€ 218,951 thousands in 1H 2021

€ 116,950 <sup>thousands</sup>

**CONSOLIDATED  
EQUITY**

€ 120,934 thousands in 1H 2021

€ 97,178 <sup>thousands</sup>

**ADJUSTED  
NET DEBT**

€ 75,047 thousands in 1H 2021

€ 6,402 <sup>thousands</sup>

**ADJUSTED INVESTMENT  
ACTIVITIES**

€ 7,465 thousands in 1H 2021

€ (8,662) <sup>thousands</sup>

**CASH FLOW FROM  
OPERATING ACTIVITIES**

€ 7,465 thousands in 1H 2021





# 1H 2022 Highlights

## *Business Update*

### 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).

**Interlocutions are currently underway** with (i) primary **suppliers to define contracts** for the supply of plant and machinery and (ii) **preliminary inquiries with a pool of banks** to activate a revolving credit line to service the investment program in order to anticipate the timing of the disbursement of facilities

### Unilever Agreement

On June 1, 2022, P2P, a company co-owned by Unilever and its subsidiary Seri Plast S.p.A., **submitted to Invitalia S.p.A. an application for financing to implement the project for the reconversion of the Pozzilli site.**

The submitted program includes a financial requirement of approximately a total of **euro 109,41 million** (the contract proposal submitted to Invitalia provides for: non-repayable grants for euro 38,4 million and subsidised loans for euro 43,7 million).

### Teverola 1

About Teverola 1 production plant, with a production capacity of 330MWh/year of cells, modules, and battery packs for the storage (ESS), Motive Power, Naval, and specialties markets, in consideration of the status of cell performance testing and certification activities, the ramp-up of commercial activity is confirmed during the last quarter of 2022.

## Mission

**Our business model**

**SUSTAINABILITY**

**DECARBONIZATION**

**CIRCULAR ECONOMY**

**DIGITIZATION**

**SERI GROUP**

**Plastic materials**  
SERI PLAST

**Batteries**  
FAAM

**Eco sustainable products**

**Green materials**

**Innovative processes**

**Sustainable processes**

**Approval of green compound**

**Supply chain risk control strategy**

**Integrated supply chain**

**Tailor made products**

**Long term partnerships**

*Seri Industrial is pursuing strategic goals  
**to accelerate the energy and  
ecological transition** in line with the  
Paris Agreement and recent European and  
Italian initiatives*



# 1H 2022 Key Financials

YOY COMPARISON 1H 2022 – 1H 2021

Key Financials - €/Mln	1H 2022	1H 2021	Change	% 22 vs 21
Total Revenues*	101,477	84,433	17,044	20%
EBITDA	8,855	8,391	464	6%
<b>Adjusted EBITDA</b>	<b>9,071</b>	<b>8,193</b>	<b>878</b>	<b>11%</b>
EBIT	(1,932)	(1,376)	(5569)	40%
<b>Adjusted EBIT</b>	<b>(1,716)</b>	<b>(855)</b>	<b>(831)</b>	<b>94%</b>
Consolidated Net Result	(5,194)	(4,136)	(1,058)	26%
<b>Consolidated Adjusted Net Result</b>	<b>(4,286)</b>	<b>(3,609)</b>	<b>(677)</b>	<b>19%</b>
Cash flow from operating activities	(8,662)	7,947	(16,609)	(209%)
Adjusted investment activities	6,402	7,465	(1,063)	(14%)

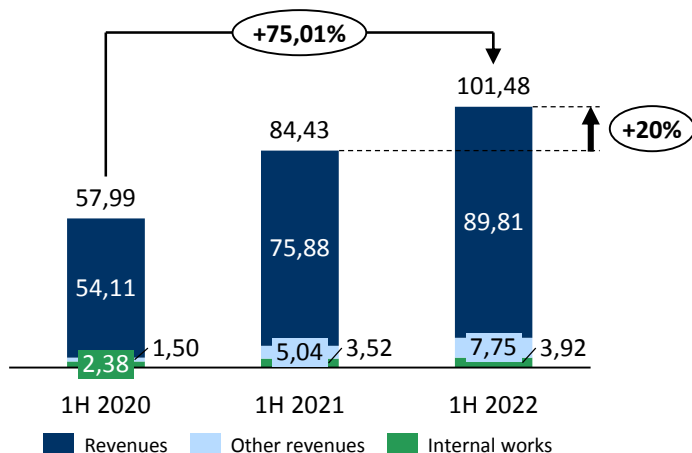
Key indicators - €/Mln	1H 2022	1H 2021	Change	% 22 vs 21
Net Invested Capital	236,816	218,951	17,865	8%
Consolidated Net Equity	116,950	120,934	(3,984)	(3%)
Net Financial Debt	119,866	98,018	21,848	22%
<b>Adjusted Net Financial Debt</b>	<b>97,178</b>	<b>75,047</b>	<b>22,131</b>	<b>29%</b>

\* Revenues, other revenues and internal works

# 1H 2022 Key Financials – Total Revenues

## Key Financials 1H 2022 – 2021 - 2020 (€/Mln)

### Reported Consolidated Revenues



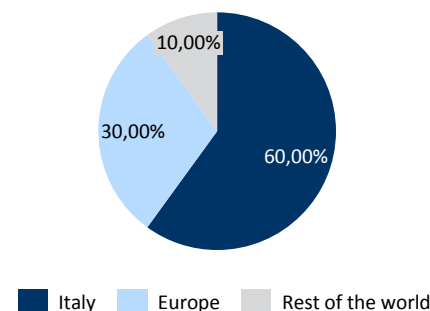
The Group has registered **Total Revenues** for € **101,477 Mln**, with a **+20,19%** growth compared to the same period in 2021 (€ **84,43 Mln**), due to both the increase in sales volumes and the increase in average selling prices.

**Plastic Materials** has registered **+19%** compared to the same period in 2021 (**+59%** compared to 2020)

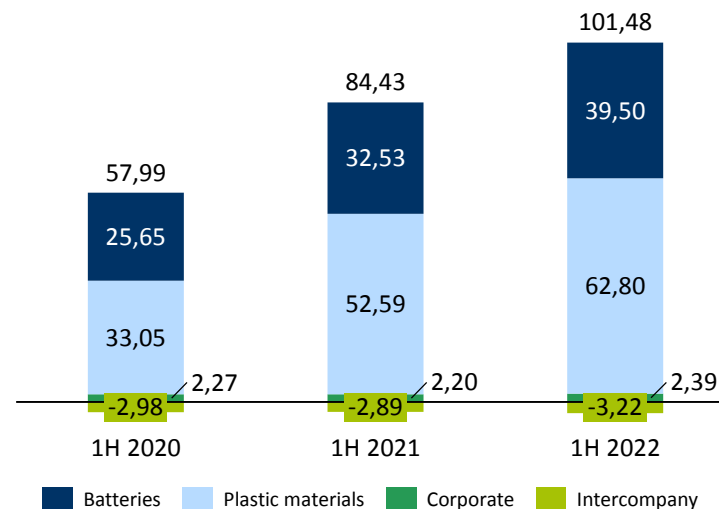
**Batteries** has registered **+21%** growth compared to the same period in 2021 (**+27%** compared to 2020)

## Revenues breakdown

### Consolidated revenues by geography



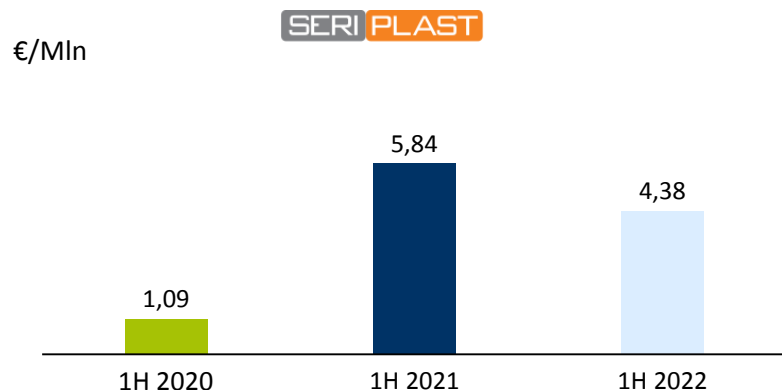
### Revenues breakdown



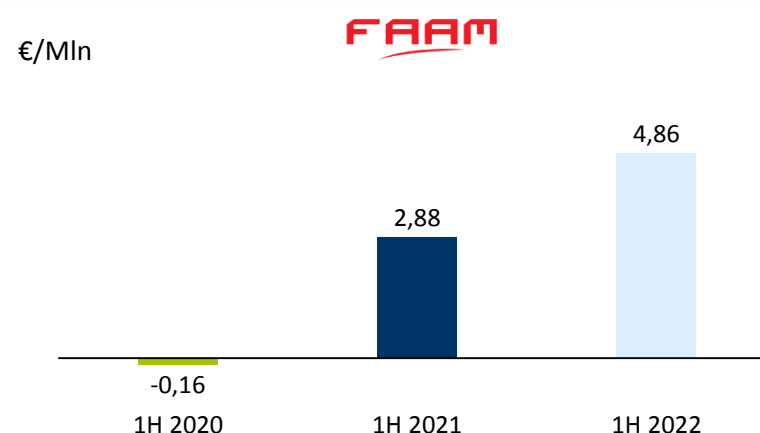


# 1H 2022 Key Financials – EBITDA

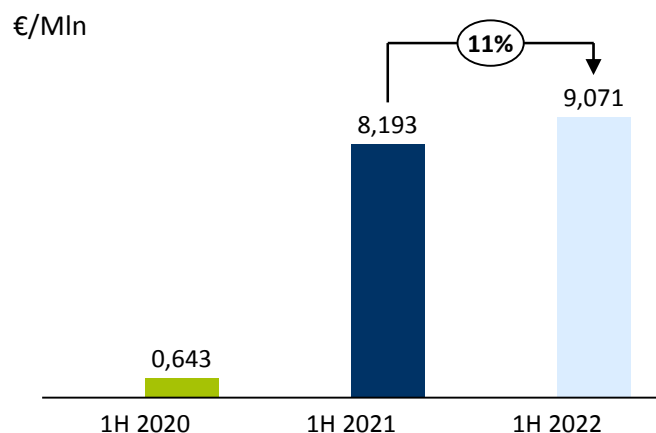
## EBITDA – Plastic materials



## EBITDA – Batteries

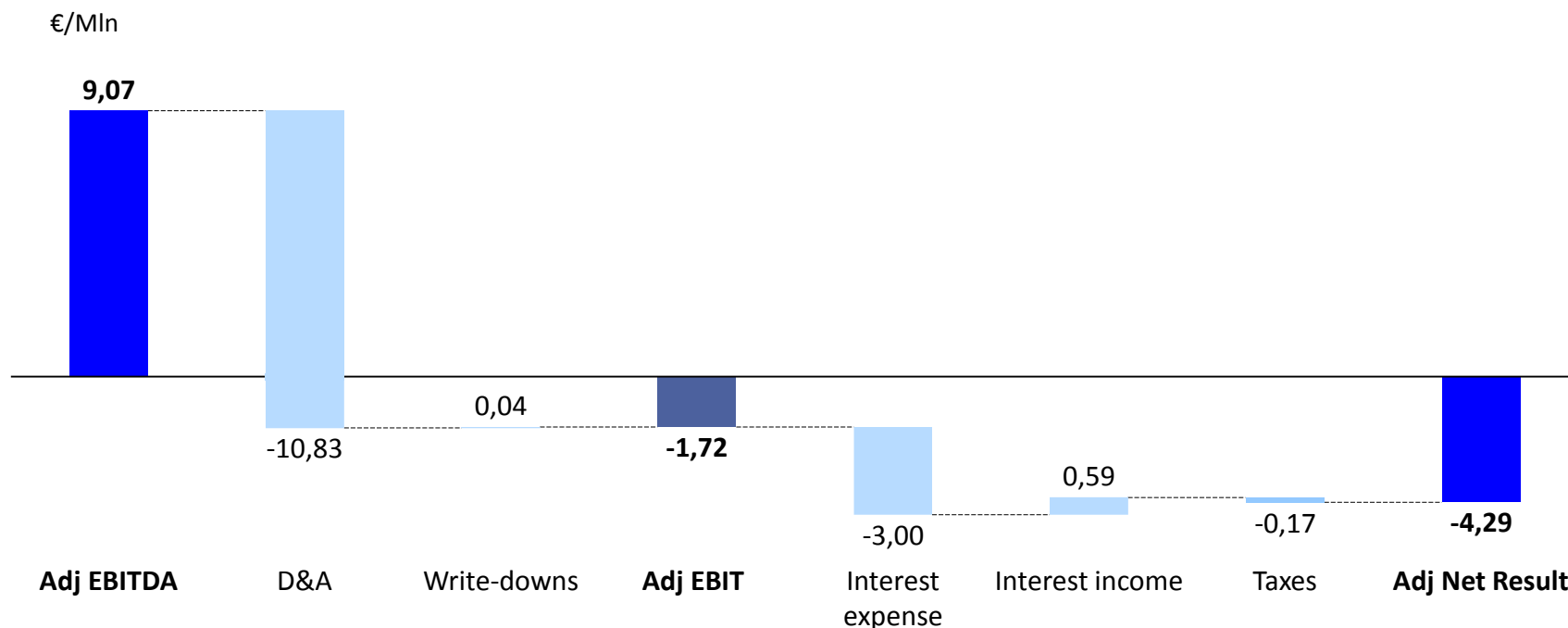


## Adjusted EBITDA – Consolidated



- The Group has recorded a **profitability of 9% in the 1H 2022**, slightly down from the 9.7% achieved in the 1H 2021, **despite the current macroeconomic scenario characterized by a significant increase in the cost of energy**. The Group has estimated higher **energy costs equal to € 4,554 Mln** of which € 3,296 Mln in the plastic materials and € 1,241 Mln in the Batteries division.
- To compensate for the charges incurred due to the increase in the cost of energy, **the Group obtained grants amounting to €1,499 thousand**, as a result of the relief introduced by the **Sosteni-Ter Decree for energy-intensive companies** (€ 1,058 Mln in Plastic Materials division and € 0,441 Mln in Batteries division).

# 1H 2022 Key Financials – From EBITDA to Net Result

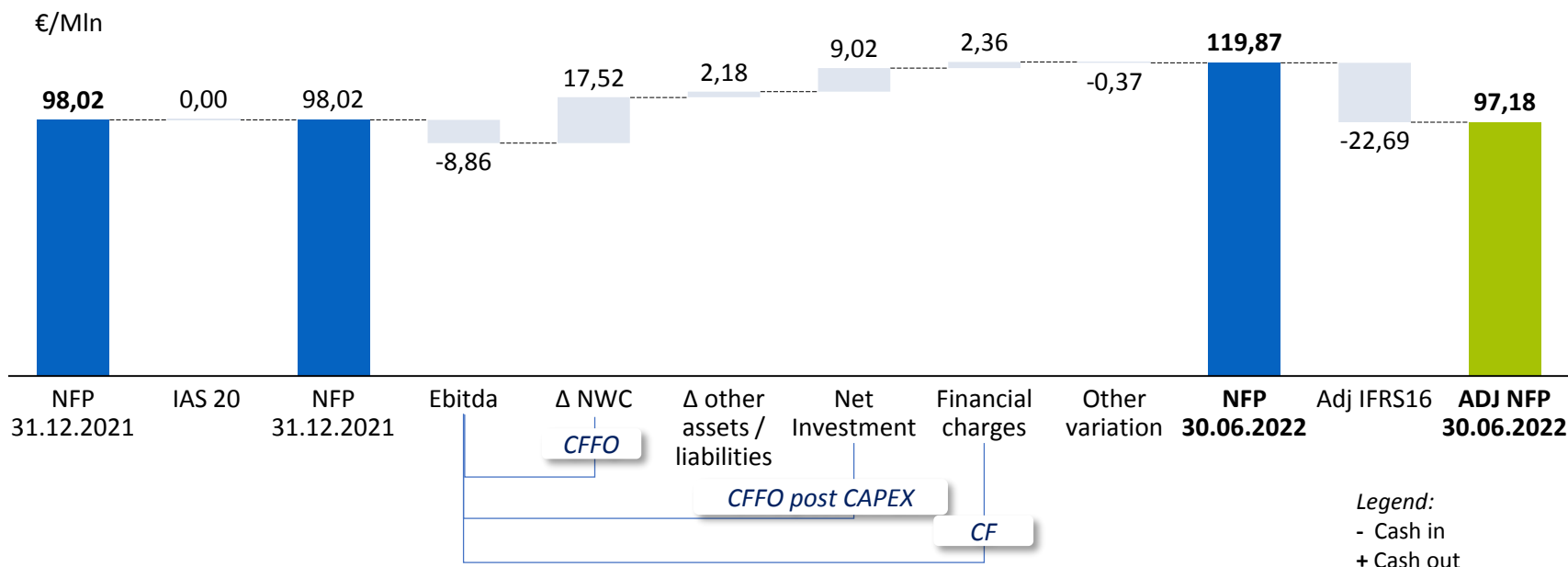


EBIT is equal to negative euro 1,932 thousand, after depreciation and amortization of euro 10,787 thousand.

The D&A are related to euro 5,410 thousand for the investment made and on-going in Teverola 1 and 2, of which euro 4,212 thousand related to amortization on realized investments and euro 1,198 thousand related to the rights of use concerning the lease of the Teverola 1 (euro 515 thousand) and Teverola 2 (euro 683 thousand) building.



# 1H 2022 Key Financials – Bridge NFP



The **Adj Net Financial Position** is equal to **€ 97,18 Mln** mainly related to the construction of the **Teverola 1 project**

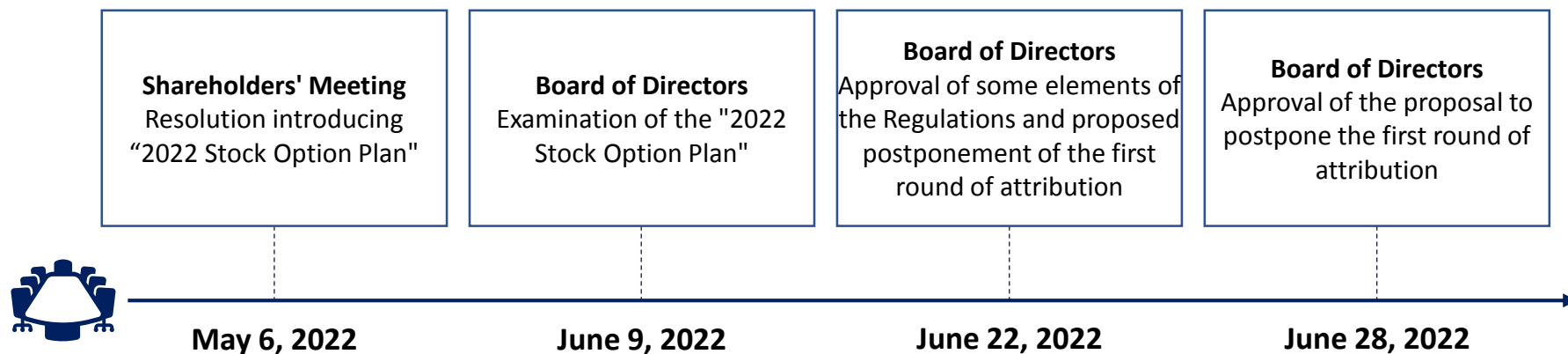
The **increase recorded** in the period is mainly related to the increase in **Net Working Capital of euro 17,517 thousand**, due in particular to the increase in inventories, as well as the **adjusted investment activity for euro 6,402 thousand**

The **Net Financial Position** at the end of the period is equal to **€ 119,87 Mln** and it is including **€ 22,69 Mln** of IFRS 16 effects related to the Right of Use for lease contracts

## Warrant Uno SERI 2017 -2022

n. Warrants expiring on 31 December 2022	81,439,887
Max. n. Shares	8,143,989
<b>Cash and Cash equivalent</b>	<b>€ 40,964,263</b>

# 2022 Stock Option Plan



2022 Stock Option Regulations	ESG TARGETS	
	PLASTIC RECYCLING	BATTERIES
<ul style="list-style-type: none"> <li>➤ <b>2 Option Attribution Cycles</b>, by: <ul style="list-style-type: none"> <li>• December 31, 2022<sup>1</sup></li> <li>• June 30, 2024</li> </ul> </li> <li>➤ <b>Vesting Period</b>: 5 Years</li> <li>➤ <b>Exercise Period</b>: 2 years from Vesting Period</li> <li>➤ <b>5 Exercise Windows for each Attribution Cycle</b></li> <li>➤ <b>Performance Targets</b>: <ul style="list-style-type: none"> <li>• <b>TSR</b> (<i>Total Shareholder Return</i>)<sup>2</sup></li> <li>• <b>ESG</b> (<i>Environmental, Social and Governance</i>)</li> </ul> </li> </ul>	<p><b>PLASTIC RECYCLING</b></p> <p>Use in the production cycle of a certain (and growing) percentage of recycled material in relation to total raw materials</p>	<p><b>BATTERIES</b></p> <p>Development of technologies to facilitate the recycling of spent lithium batteries in line with circular economy policies</p>

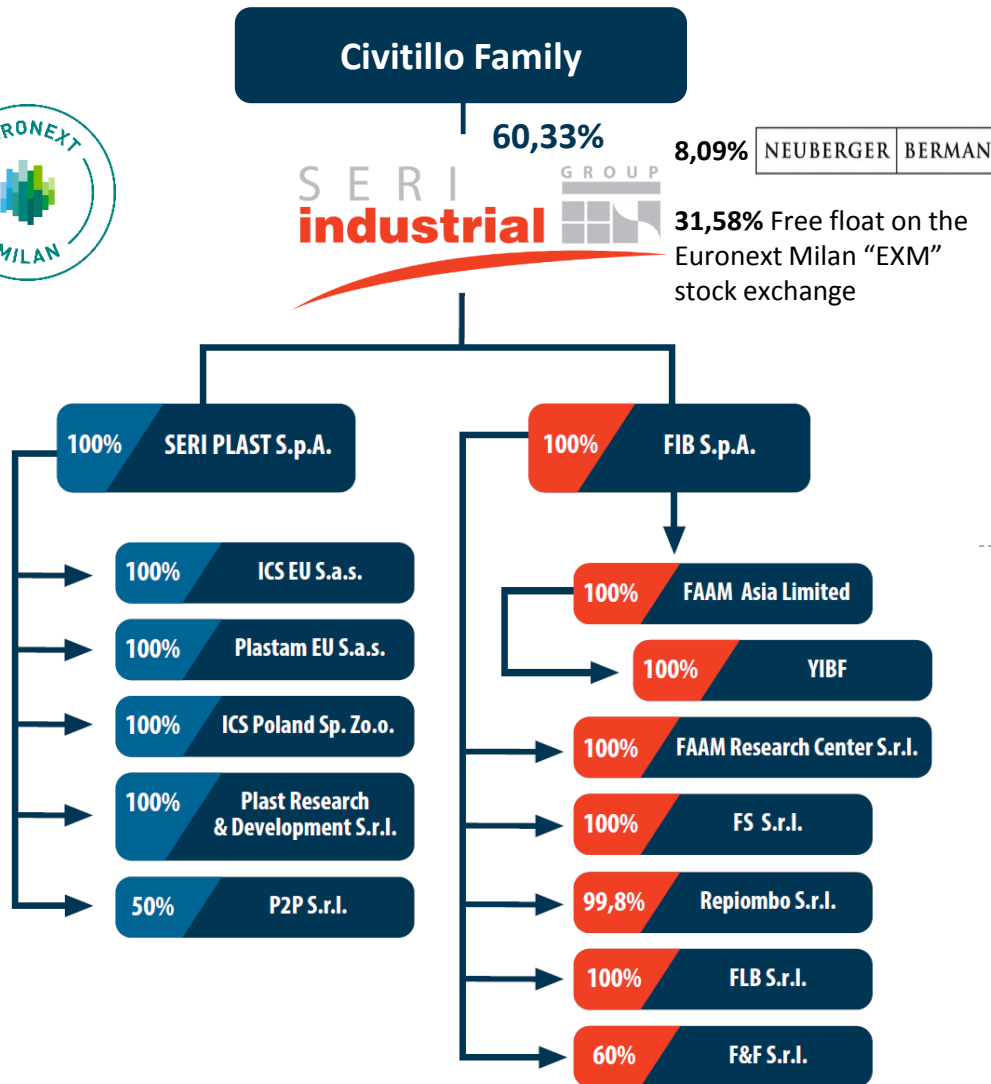
<sup>1</sup>As amended to the remuneration policy approved by the Board of Directors on June 28, 2022.

<sup>12</sup> <sup>2</sup> Indicator that measures the total return of a stock as the sum of the components of capital gains and reinvested dividends.



# Appendix – Business units

# Group Structure



SBU	ACTIVITY
<b>SERI PLAST</b>     	<b>Plastic Materials</b> <ul style="list-style-type: none"> <li>Production of special compounds for the moulding of boxes and lids for batteries</li> <li>Production of special compounds for the automotive and packaging</li> <li>Production of special compounds for the moulding and extrusion of pipes and fittings for the thermo-hydro sanitary market</li> </ul>
<b>FIB</b>       	<b>Batteries</b> <ul style="list-style-type: none"> <li>Production and recycling of lead-acid and li-ion batteries for motive power, storage, starter and special applications</li> <li>Design and construction of plants for the recycling of exhausted batteries</li> </ul>



# Consolidated Profit & Loss

As follows the Group's Income Statement as of June 30, 2022, compared to the results registered in the same period of previous year:

CONSOLIDATED P&L - Euro / 000	30-Jun-2022	30-Jun-2021
Revenues from contract with customers	89.811	75.876
Other operating revenues	7.751	5.039
Internal works	3.915	3.518
<b>Total revenues, income and internal works</b>	<b>101.477</b>	<b>84.433</b>
<b>Operating costs</b>	<b>92.622</b>	<b>76.042</b>
<b>Gross Operating Income - EBITDA</b>	<b>8.855</b>	<b>8.391</b>
Amortization and Depreciation	10.826	9.614
Write-downs/write-backs	(39)	153
<b>Net Operating Income - EBIT</b>	<b>(1.932)</b>	<b>(1.376)</b>
Interest income	594	305
Interest expense	2.988	2.069
Income (expense) from associated companies	(7)	4
<b>Net result before tax</b>	<b>(4.333)</b>	<b>(3.136)</b>
Taxes	861	1.000
<b>Consolidated Net Result</b>	<b>(5.194)</b>	<b>(4.136)</b>

# Consolidated Balance Sheet

As follows the Group's Balance Sheet as of June 30, 2022, compared to the balance sheet in the same period of previous year:

CONSOLIDATED BS - Euro / 000	30-Jun-2022	30-June-2022
Current assets	152.066	153.734
Non-current assets	189.717	192.316
<b>ASSETS</b>	<b>341.783</b>	<b>346.050</b>
Current liabilities	127.134	153.733
Non-Current liabilities	97.699	71.383
Consolidated Net Equity	116.950	120.934
<b>LIABILITIES AND NET EQUITY</b>	<b>341.783</b>	<b>346.050</b>

# Plastic Materials – P&L

As follows the economic trend as of June 30, 2022, compared with the same period in the previous year:

P&L - Euro / 000	30/06/2022	30/06/2022	Variation	Variation %
Revenues from contract with customers	59.250	49.769	9.481	19%
Other operating revenues	2.328	1.392	936	67%
Internal works	1.222	1.430	(208)	(15%)
<b>Total revenues, income and internal works</b>	<b>62.800</b>	<b>52.591</b>	<b>10.209</b>	<b>19%</b>
<b>Operating costs</b>	<b>58.417</b>	<b>46.751</b>	<b>11.666</b>	<b>25%</b>
<b>Gross Operating Income - EBITDA</b>	<b>4.382</b>	<b>5.840</b>	<b>(1.458)</b>	<b>(25%)</b>
Amortization and Depreciation	3.746	3.285	461	14%
Write-downs/write-backs	(148)	14	(162)	(1.159%)
<b>Net Operating Income - EBIT</b>	<b>785</b>	<b>2.541</b>	<b>(1.756)</b>	<b>(69%)</b>
Interest income	83	15	68	461%
Interest expense	1.092	953	139	15%
<b>Net result before tax</b>	<b>(224)</b>	<b>1.603</b>	<b>(1.827)</b>	<b>(114%)</b>
Taxes	474	545	(71)	(13%)
<b>Net Result</b>	<b>(698)</b>	<b>1.058</b>	<b>(1.756)</b>	<b>(166%)</b>



# Batteries – P&L

As follows the economic trend as of June 30, 2022, compared with the same period in the previous year:

P&L - Euro / 000	30/06/2022	30/06/2021	Variation	Variation %
Revenues from contract with customers	31.444	26.729	4.715	18%
Other operating revenues	5.459	3.715	1.744	47%
Internal works	2.600	2.088	512	25%
<b>Total revenues, income and internal works</b>	<b>39.503</b>	<b>32.532</b>	<b>6.971</b>	<b>21%</b>
<b>Operating costs</b>	<b>34.648</b>	<b>29.655</b>	<b>4.993</b>	<b>17%</b>
<b>Gross Operating Income - EBITDA</b>	<b>4.855</b>	<b>2.877</b>	<b>1.978</b>	<b>69%</b>
Amortization and Depreciation	6.987	6.240	747	12%
Write-downs/write-backs	110	139	(29)	(21%)
<b>Net Operating Income - EBIT</b>	<b>(2.241)</b>	<b>(3.502)</b>	<b>1.261</b>	<b>(36%)</b>
Interest income	511	278	233	84%
Interest expense	1.659	1.149	510	44%
<b>Net result before tax</b>	<b>(3.390)</b>	<b>(4.373)</b>	<b>983</b>	<b>(22%)</b>
Taxes	372	452	(80)	(18%)
<b>Net Result</b>	<b>(3.761)</b>	<b>(4.825)</b>	<b>1.064</b>	<b>(22%)</b>

# Consolidated Net financial position

As follows the Group's Net Financial Position:

NFP - Euro / 000	30/06/2022	30/06/2021	Variation	Variation %
Cash	4.262	19.500	(15.238)	(78%)
Cash and cash equivalents	904	1.702	(798)	(47%)
Other short-term financial assets	1.149	509	640	126%
<b>Total Liquidity C = (A + B + C)</b>	<b>6.315</b>	<b>21.711</b>	<b>(15.396)</b>	<b>(71%)</b>
Short-term bank debts (including debt instruments, but excluding the short-term portion of long-term financial debt)	42.032	40.252	1.780	4%
Short-term portion of long-term financial debt	16.374	40.777	(24.403)	(60%)
<b>Short-term financial Debt G = (E + F)</b>	<b>58.406</b>	<b>81.029</b>	<b>(22.623)</b>	<b>(28%)</b>
<b>Short-term Net Debt H = (G - D)</b>	<b>52.091</b>	<b>59.318</b>	<b>(7.227)</b>	<b>(12%)</b>
Long-term bank debt (excluding short-term part and debt instruments)	37.800	8.700	29.100	334%
Payables and other long-term debts	29.975	30.000	(25)	(0%)
<b>Long-term financial debt L = (I + K)</b>	<b>67.775</b>	<b>38.700</b>	<b>29.075</b>	<b>75%</b>
<b>Total Net Financial Position (H+L)</b>	<b>119.866</b>	<b>98.018</b>	<b>21.848</b>	<b>22%</b>
IFRS 16 adjustment	22.688	22.971	(283)	(1%)
<b>Net Adjusted Financial Position</b>	<b>97.178</b>	<b>75.047</b>	<b>22.131</b>	<b>29%</b>

# Special items

As follows a summary of special item impact as of June 30, 2022:

Special items	30/06/2022	30/06/2021
<b>Gross Operating Income - EBITDA</b>	<b>8.855</b>	<b>8.391</b>
<b>Net Operating Income - EBIT</b>	<b>(1.932)</b>	<b>(1.376)</b>
<b>Net Result</b>	<b>(5.194)</b>	<b>(4.136)</b>
<b>Revenues</b>	<b>(216)</b>	<b>(1.096)</b>
<i>Insurance reimbursement</i>	(216)	(286)
<i>Business unit divestiture</i>	0	(810)
<b>Operating costs</b>	<b>432</b>	<b>898</b>
<i>Disposal of Avellino assets</i>	24	257
<i>Extraordinary plant downtime charges</i>	0	266
<i>Business unit divestiture</i>	0	254
<i>Operating costs Covid-19 emergency</i>	0	52
<i>YIBF –Senior management litigation</i>	0	69
<i>Other non-recurring costs</i>	408	0
<b>Impact on EBITDA</b>	<b>216</b>	<b>(198)</b>
<i>IFRS 16 lease amortisation Teverola 1/2</i>	0	574
<i>Depreciation and write down/write backs</i>	0	115
<b>Impact on EBIT</b>	<b>216</b>	<b>491</b>
<i>Financial charges lease IFRS 16 Teverola 2</i>	0	8
<b>Impact on pre-tax profit</b>	<b>216</b>	<b>499</b>
<i>Deferred taxes on revaluation of assets</i>	(754)	0
<i>Theoretical tax effect</i>	63	(28)
<b>Impact on Consolidated Net Result</b>	<b>(908)</b>	<b>527</b>
<b>Adjusted EBITDA</b>	<b>9.071</b>	<b>8.193</b>
<b>Adjusted EBIT</b>	<b>(1.716)</b>	<b>(885)</b>
<b>Adjusted consolidated profit (loss)</b>	<b>(4.286)</b>	<b>(3.609)</b>